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COURT TO TRY FORMER BUENOS AIRES POLICE CHIEF

PY041723 Buenos Aires BUENOS AIRES HERALD in English 3 Jan 86 p 1

[Text] (NA-DYN) -- Former Buenos Aires province Police Chief retired General Ramon Camps will stand trial for human rights violations before the City Federal Appeals Court, the same that last month condemned five ex-junta commanders to prison sentences ranging from 54 months to life. The Supreme Court of Justice yesterday ended a legal ping-pong after both the Metropolitan and La Plata federal appeals courts waived jurisdiction on the grounds the alleged crimes took place in the other court's venue.

Though Camps headed the provincial police during the military government that took power in 1976, the Supreme Court ruled in favour of the City Appellate Chamber's hearing the proceedings because "the City of Buenos Aires is where all the crimes originated."

The Court ruling sustained that "cashiered general Guillermo Suarez Mason, who gave the orders for the operations, headed the Army 1st Corps with headquarters here," and that Camps, who was in charge of Buenos Aires province, "either obeyed direct orders" from the fugitive Army commander "or followed his general directives." With Suarez Mason on the run, Camps will answer charges of "illegal detention followed by torture and in some cases murder. You cannot separate the knowledge of the illegal detention of a given person from the torture or subsequent murder of that person while illegally held," the Supreme Court said.

The Buenos Aires Appeals Court was also selected for Camps' trial for the sake of procedural efficiency, since the ex-police chief, now being held in a military hospital has his residence here.

In addition to Camps and Suarez Mason, former Buenos Aires Governor retired General Iberico Saint Jean, ex-Military Institutes commander retired General Santiago Omar Riveros, his second-in-command retired Colonel Luis Sadi Pepa and other officers are also implicated.

While the charges of human rights violations at Military Institutes will be tried by the Armed Forces Supreme Council, "all remaining cases should be jointly heard," by the City Appeals Court, the Supreme Court ruled.

Camps, who has been directly accused of illegal detention and torture by, among others, education secretariat official Alfredo Bravo, former BA province economy minister Ramon Miralles and journalist Jacobo Timmerman, has reportedly taken credit in newspaper articles for direct participation in the kidnapping of thousands of people during the military regime, including children. According to one publication, Suarez Mason's former subordinate went so far as to say: "When (the military) return to power, my hand will not tremble when it comes time to signing (President Raul) Alfonsin's execution order."

COVERNMENT ISSUES COMMUNIQUE ON GUGLIELMINETTI

PY032129 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1103 GMT 3 Jan 86

[Text] Buenos Aires, 3 Jan (NA) -- The government has stated that Judge Juan Carlos Cardinali's decision to free Raul Guglielminetti "must be assessed within the general context of the law and the independence of the judicial branch." In a communique released last night by the Justice Secretariat, the government stated that such an assessment must also be made "without taking into account whether or not the outcome meets the expectations that appeared to be logical," regarding the circumstances that surrounded Guglielminetti's extradition.

The communique states the following:

1) The extradition of Raul Antonio Guglielminetti was correctly sought by lower court criminal trial judge Dr Juan Carlos Cardinali for the murder of Emilio Naum. Guglielminetti was detained in Spain after an arrest warrant was issued by Cardinali. In order to make the extradition viable, the trial judge issued a warrant of preventive custody. The assessment of the evidence on which the request for extradition was based was solely a judicial one.

2) The executive branch expeditiously took all the necessary steps to implement the petition. This approach was necessary because references to the indictee's activities within government circles were made public.

3) The judge himself has now ordered the indictee's release due to a lack of evidence. However, this does not preclude the continuation of the case, a decision regarding which must be assessed within the general context of the law, without taking into account whether or not the outcome meets the expectations that appeared to be logical given the circumstances mentioned in the preceding paragraph.

CNEA CHAIRMAN SAYS UNION STATEMENT 'IRRESPONSIBLE'

PY031657 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2153 GMT 2 Jan 86

[Text] Buenos Aires, 2 Jan (NA) -- National Commission for Atomic Energy (CNEA) Chairman Alberto Constantini today termed "irresponsible" a statement by the ENACE [Argentine Nuclear Enterprise for Electrical Power Plants] trade union and stated that in January, renegotiations of the contracts for the construction of the Atucha II nuclear power plant, which "will be operating in 1992," will be concluded.

In statements to NOTICIAS ARGENTINAS, Constantini said CNEA's 1986 budget, including works in progress and CNEA's external debt, will be between $500 and $600 million. He said that this year "there will be enough funds to reactivate the Atucha II project."

Thus, Constantini countered a statement by the ENACE trade union that nuclear development in the country "is on the brink of collapse" and that CNEA's manpower is being "thrown overboard." Constantini denied that Argentine nuclear development "is on the brink of collapse" and said atomic activities for peaceful uses "are maintaining the same growth rate of recent years. Not only have we preserved CNEA's full scientific-technological development, but we have also preserved its manpower despite the shortage of funds," Constantini added. He reasserted that "there is no flight of CNEA scientists" and commented that "this is proven by the activity in the library, the scholarships to foreign countries, and the support given to the laboratories."

Assessing his nearly 2-year tenure as CNEA chairman, Constantini said: "We have increased all the activities for the application of nuclear energy for peaceful uses, especially in the field of nuclear medicine, and we have made contributions in other fields such as agriculture, industry, and power supply."

Constantini said that "in the field of nuclear power plants, ENACE workers know very well that the nearly 60-month delay of the projects originated 4 or 5 years ago and not when the current government assumed office." Constantini reiterated that President Raul Alfonsin "has made a political decision to complete Atucha II in 1992" and stated that this month, when the renegotiations of the contracts for that nuclear power plant are concluded, "we will stop paying the huge nonproductive expenses" resulting from the halting of the projects.

"All nuclear projects throughout the world had similar delays," Constantini added. "Not only we have preserved the manpower, but we have also improved in the field of radioisotopes and resumed a normal pace in the technological development of nuclear power plants," Constantini concluded.

CGT REJECTS SALARY POLICY, ISSUES COMMUNIQUE

PY032211 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2340 GMT 2 Jan 86

[Text] Buenos Aires, 2 Jan (NA) -- CGT [General Confederation of Labor] Secretary General Saul Ubaldini said today that for the CGT to return to the socioeconomic conference, the government must agree on a "specific date" for summoning the government-labor-business committees, and it must also grant a demand for a fixed salary readjustment for "the poorer" workers. "We cannot address other issues before solving the salary problem," he added. Ubaldini made brief remarks at his office this evening, when he released a communique in which the CGT reiterated "its strongest rejection of the salary policy unilaterally imposed by the government," and once again advocated collective bargaining with the government-labor-business committee, under the terms of Law No 14,250. In its communique, the CGT asked the government "to adopt a down-to-earth stand and compensate the great efforts of workers" through a readjustment "that should actually improve their salaries."

Ubaldini also referred to an earlier meeting he had held with leaders of pensioners and retired workers, all of whom criticized the government's decision to raise the minimum retirement allowance from 67 to 70 australs, that is, by only 3 australs. "This 3-austral increase is hardly enough to buy 1.5 kg of plums," Ubaldini said ironically. The CGT communique reads:

"A new year has begun, and the workers continue to raise their voice through their labor organizations. This reveals the existence of a deeply conflictive situation largely stemming from demands for higher salaries and from the rejection of the meager 5-percent raise the government enforced through Decree 2,446. The CGT has permanently channeled such demands, first to the president and then to the socio-economic conference. Taking into account the results of these tripartite talks, the CGT is studying the various courses of action the executive council will propose to the plenary session of secretaries general and regional delegations called for 10 January. The CGT once again reiterates its most categorical rejection of the salary policy unilaterally imposed by the government, because it is based on laws that were approved by the military regime that we have repudiated, and because the government maintains the validity of Decrees 2,224, 2,131, and 2,132. These arbitrary and harmful decrees punish the workers, denying them the right to freely negotiate their salaries under the terms of Law 14,250.

"Being aware of the distressing situation of workers, pensioners, and retired workers at this hour of socioeconomic crisis, the CGT remains committed to their fate, which is the Argentine people's fate. As it has done throughout its history, the CGT will stand by its people, waving the national banners that will break the bonds of dependence, moving forward toward a society in which social justice will prevail.

"It is absolutely necessary that those who govern adopt a down-to-earth stand and compensate the great efforts of workers through a readjustment that should actually improve their salaries. It is imperative to end the arbitrary salary freeze and to put at the service of our growth what is now being taken by the owners of the capitals which have no fatherland, that is, the international usurers. The CGT will keep in touch with the secretaries general of the CGT unions and of the regional delegations from the country's interior to continue the discussion of the program of action that will be proposed to the plenary session, which has already been called."

UNION PROTESTS COMIBOL DISMISSAL OF WORKERS

PY312251 La Paz Cadena Panamericana in Spanish 1130 GMT 31 Dec 85

[Text] The mineworkers Federation of Bolivia has denounced the fact that despite its promises, the Mining Corporation of Bolivia [Comibol] has sent dismissal notices to more than 5,000 workers. Mario Cortes, permanent secretary of this federation, spoke to Panamericana:

[Begin Cortes recording] Our federation currently has serious economic problems as well as problems with the supply of material, and what is worse Comibol is starting to dismiss, by letter, more than 5,000 workers. This has aroused a general protest among all the mineworkers; therefore, our federation has voiced its protest to Comibol because it is not complying with the agreement it reached with the president of the Republic and our federation by which it was established that any dismissals were to be suspended until March, when the decentralization is to be completed. This agreement was not respected, and the resulting protests may end with the adoption of stronger measures by the workers. [end recording]

Cortes concluded by saying that 1985 closes with a negative balance for his sector thanks to the action of the antiworker administration.

RAILWAY WORKERS' STRIKE DECLARED ILLEGAL

PY041535 La Paz Cadena Panamericana in Spanish 1130 GMT 4 Jan 86

[Text] The Labor Ministry has declared the railway workers' strike illegal. The Railway Workers' Confederation has expressed its point of view to Radio Panamericana through its secretary, Alfredo Gomez Garcia.

[Begin Gomez recording] This afternoon the Labor Ministry notified us, through Resolution No DGT 02985 dated 31 December, that the strike decreed by the Confederation of Railway Workers' Unions is illegal. The Ministry accused us of having violated Articles 105 and 118 of the General Labor Law, for which the Confederation of Railway Workers' Unions will be made legally responsible. We deny having violated any article of the General Labor Law, and if we have committed any offense in the opinion of the Labor Ministry, it is only that of having requested that our salaries for August, September, October, November, and December be paid. I do not see how that can be an offense. [end recording]

BANK UNION'S TOP LEADER ARRESTED 3 JANUARY

PY041518 Madrid EFE in Spanish 0242 GMT 4 Jan 86

[Text] La Paz, 3 Jan (EFE) -- EFE has been told by an official source that Miguel Angel Quintanilla was arrested today. Quintanilla has been wanted by the Bolivian Government since the August and September 1985 labor conflicts that led to the implementation of the state of siege. The labor leader went underground when the state of siege was implementated on 19 September 1985, and his arrest was ordered for having committed crimes against the economy of the state. Quintanilla, as the top union leader of the Central Bank's employees, promoted a bank strike that paralyzed the country's economy. Quintanilla's arrest order was signed by a competent judge, and he will now be placed at the disposal of the courts.

SARNEY DISCUSSES PROSPECTS, GOALS FOR 1986

PY041136 Brasilia Domestic Service in Portuguese 2100 GMT 3 Jan 86

[Text] President Jose Sarney guaranteed this morning that there will be no rampant inflation in 1986. Speaking on the radio program "Talking Next to the Radio," broadcast every Friday at 0600, he said:

[Begin recording] It is already 1986. I hope that the new year brings peace, happiness and progress to Brazil. Our task will be hard because we have many challenges, but our will to overcome them is greater than all obstacles.

First, we will have to fight inflation, and we have to be on the alert against speculation and excessive profit. We are already witnessing a feverish increase in prices, which drains our people. This criminal process causes prices to push inflation up rather than down.

We are also witnessing the presence of the prophets of chaos who create a constantly (?tense) psychological climate. When I was installed in the government, they said inflation would reach 500 percent, but it did not. The speculators did not give up but said that the outburst would come in August. It did not. Moreover, it did not come in November. Now, they say it will come in the new year. I promise the Brazilian people that this will not occur. There will be no rampant inflation. Although 1985 was similar to 1984, there was a great difference: the inflation rate in 1985 was similar to that in 1984 but without recession and with economic growth. Brazil had the highest development rate in the world, higher than 8 percent. We created more than 2.5 million jobs, and salaries rose faster than the inflation rate; we had the best Christmas in many years.

My commitment is, as always, to say no to recession. We will continue to grow, because without growth there is hunger, unemployment, and misery.

The public budget this year is under control. We will have a minimal deficit. Investments are returning. There is confidence, there is work, and there is seriousness in conducting public business.

I renew my commitment to change. This year we will continue to work in this direction. Our priority, the great priority, is the social field, not only in diminishing tensions in the short term but also to create a fair society. When we speak of better salaries, we speak of a society where man is not exploited.

When we speak of a Constituent Assembly, we speak of a Magna Carta which does not shelter injustice, we speak of a constitution that is not the creation of a certain class or faction but of a broader law, able to grant stability and the means to govern the country. We speak of the rights of all sectors of society, not just some of them.

When we speak of agrarian reform, we speak of distributing land to those who toil on it. Brazilians know that I will not abandon this slogan, this flag. It is a reform to be carried out without violence, in peace, and with respect for the rights of those who till the soil.

The year 1986 will be the year of the constitution, the year of change. The country is already changing, and it will improve day by day. I am counting on the support of the Brazilian people. Nothing can be done overnight. We have been in office for 9 months, but there has never been so much will and so much work. It has not been easy to overcome difficulties, but progress is the result of hard work, and I have the obligation to set the example as the hardest worker, I have to set the example by fulfilling my duties.

I hope the Brazilian people help me in the year 1986 so that I can help Brazil, because Brazil will succeed. [end recording.]

M-19 GROUP NEAR COLOMBIAN BORDER CAUSES CONCERN

PY061728 Paris AFP in Spanish 1409 GMT 6 Jan 86

[Text] Sao Paulo, 6 Jan (AFP) -- Military officials of the Amazon Military Command are concerned over the concentration of nearly 400 Colombian M-19 guerrillas in the region known as Cabeza de Perro, near the Colombian-Brazilian border, the weekly VEJA reported here today.

According to the influential weekly, a company of 100 men of the 1st Infantry Battalion has been dispatched to Sao Gabriel de Cachoeira, the Brazilian town closest to the border, in an emergency effort to prevent Colombian guerrillas from entering Brazilian territory.

Brazilian President Jose Sarney and Colombian President Belisario Betancur are scheduled to meet in the city of Tabatinga, which is located in this region, on 20 January.

TROOP DEPLOYMENT ON BORDERS TERMED 'ROUTINE'

PY031822 Madrid EFE in Spanish 1244 GMT 3 Jan 86

[Text] Brasilia, 3 Jan (EFE) -- The Brazilian Army today reported that yearly routine exercises on the borders are not intended to break the balance of power in the region as reported in Buenos Aires. Army sources in Brasilia today termed routine the exercises deploying 15,000 men on the Argentine, Bolivian, Paraguayan, Colombian, Venezuelan, and Guyanese borders.

According to reports datelined Buenos Aires, Peronist Deputy Torcuato Fino reported a powerful deployment of Brazilian troops, which was interpreted by the legislator as a threat to the balance existing in the region.

Army sources in Brasilia reported that exercises on the borders are carried out annually. Last year, they were carried out with the participation of the III Army Command (which is responsible for the southern defense) and the new Amazonian and Western units. The same sources reiterated that the exercises are carried out by units already installed along the borders.

According to reports published today in Brasilia, the Peronist deputy interpreted the Brazilian deployment as an ostentatious show of force.

GOVERNMENT TO IMPORT STAPLE FOODS IN 1986

PY031758 Madrid EFE in Spanish 2140 GMT 2 Jan 86

[Text] Rio de Janeiro, 2 Jan (EFE) -- Government authorities today confirmed that in 1986 the Brazilian Government will have to import more than $1.5 billion worth of staples to prevent Brazilians from starving. This measure has been prompted by the drought affecting agricultural areas in northern and central Brazil for months.

Interior Minister Ronaldo Costa Couto emphasized that the lack of rain in the states of Sao Paulo, Rio Grande do Sul, Santa Catarina, and Parana has reduced Brazilian agricultural production, and it is expected that indispensable staples will be in short supply in the coming months.

The interior minister added that the government has approved an initial allocation of $800 million to import meat, beans, corn, and rice but that amount will be readjusted if the staples shortage becomes worse in the second half of 1986.

Costa Couto reported that in the past 10 years Brazil has not experienced an increase in agricultural production, and the volume produced was intended for domestic consumption with only very small quantities for exports. In addition, the interior minister said that in 1986 Brazil will launch an offensive to create a staples reserve, involving $12 billion in investment over the next 15 years and the irrigation of 1,000 [as received] hectares of land.

The program, supported jointly in the financial field by the government and the private sector, will be backed by the World Bank and the Inter-American Development Bank, and will create at least 2 million new jobs in Brazil, where unemployment reaches nearly 17 million. Sao Paulo Governor Franco Montoro has stated that the drought has caused losses totaling nearly $4 billion, and it may cause a number of side effects such as an increase in malnutrition in rural areas.

INFLATION RATE HITS RECORD FIGURE FOR 1985

PY311744 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Dec 85 p 22

[Excerpts] According to information released yesterday by IBGE [Brazilian Institute of Geography and Statistics], the inflation rate for the month of December, calculated on the bases of the Expanded National Consumer Price Index (IPCA), reached 13.36 percent. As a consequence, the inflation rate for this year, also calculated on the bases of the IPCA, amounted to 233.65 percent, the highest rate in Brazilian history.

The General Price Index (IGP), calculated by the Getulio Vargas Foundation and which through October was used to measure the rate of inflation, should be released on 30 January. According to preliminary estimates of the Getulio Vargas Foundation experts, the IGP for December should total 14 percent, which would bring the annual IGP to 237.5 percent. The IGP is now used as a secondary index to determine the country's inflation rate.

BRIEFS

NEW SAO PAULO OFFICIALS -- The following secretaries were installed today along with Sao Paulo Mayor Janio Quadros: (Claudio Salvador Lembo), judicial matters; Joao Carlos Freitas de Camargo, municipal government; (Alex Breua Netto), special affairs; Jose Benedito Viera de Moraes, social defense; (Marco Antonio Franca Matrobuano), planning; Wilson Fernandes Pereira, administration; (Carlos Alberto Manhes Barreto), finance; (Jacob Salvador Ziebel), culture; (Paulo Vinge), education and family; Ricardo Veronese, health and hygiene; (Fiori Wallace) [name indistinct], public services and works; (Roberto Salvador Escarigela), transportation; Celso Matsuda, supply secretariat, to be created; former Mayor Reinaldo de Barros, public roads; Elson Gonsalves Barbosa, regional administration; Rafael Baldase Filho, housing and urban development. [Text] [Sao Paulo Radio Bandeirantes Network in Portuguese 1500 GMT 1 Jan 86 PY]

STEEL PRODUCTION -- Brazilian Iron and Steel Inc [Siderbras] President Amaro Lanari Junior said today that Brazil ranks seventh in world production of steel and that national production reached about 20 million tons in 1985. He said that he expects steel production to increase by 10 percent next year. However, the largest problem of the Siderbras group is its $12-billion debt. [Excerpts] [Brasilia Domestic Service in Portuguese 2100 GMT 26 Dec 85 PY]

ARMED FORCES READY TO ACT IN 1989 ELECTIONS

PY061646 Madrid EFE in Spanish 1423 GMT 5 Jan 86

[Text] Santiago, Chile, 5 Jan (EFE) -- The Chilean Armed Forces will act in 1989 if a "nondemocrat is elected"in the elections that may be held that year. This was stated by Maximiano Errazuriz, leader of the Independent Democratic Union (UDI), who is an ideologue and adviser to the government of General Augusto Pinochet and a professor at the academies where top-ranking Army officers are trained, in an interview with COSAS magazine.

The Constitution provides that a plebiscite with one candidate to be appointed by the Armed Forces commanders will be held in 1989. However, if this candidate loses, other elections with the participation of several candidates and political parties are scheduled.

Errazuriz categorically stated that the Armed Forces will respect the sovereign decision of the people "if the winner is a democrat." He added: "But if the winner is a nondemocrat, the Armed Forces will take action." Maximiano Errazuriz noted that as of 1989 the Armed Forces will play the role "of a referee who will allow the players on the field, that is the political parties, to play the free play of democracy. But they will be ready to take action if nondemocratic parties try to take part." Asked who is going to decide whether the winner of the elections is a nondemocrat, Errazuriz said: "This will not be difficult because in Chile everyone knows each other very well."

When pressed by the interviewer, Errazuriz said that it will be up to the constitutional court to decide whether or not the candidate elected is a democrat. At present, the majority of the members of the constitutional court have been appointed by the regime.

Asked if Pinochet will be the sole candidate to be appointed in 1989 by the Armed Forces commanders, Errazuriz said that he believes that "this candidate may be President Pinochet himself if there is a certainty that he will win the elections; if not, it is very likely that a civilian will be appointed."

RESTRICTION ON NIGHT TRAFFIC LIFTED IN 5TH REGION

PY061800 Santiago Domestic Service in Spanish 1630 GMT 6 Jan 86

[Text] The office of the chief of the emergency zone in the Province of Valparaiso and Easter Island [as heard] has repealed the restriction on the movement of vehicles during night hours in the 5th Region. The objective of this decision is to help promote tourism in the area, which has recently experienced a notable increase. The office of the chief of the emergency zone has issued Decree No 23 to inform the people of this decision.

NICARAGUAN AMBASSADOR SAYS M-19 AID INCIDENT OVER

PA061923 Madrid EFE in Spanish 1714 GMT 6 Jan 86

[Text] Bogota, 6 Jan (EFE) -- Today Nicaragua said it considers concluded the diplomatic incident with Colombia over the alleged aid to guerrillas of the 19 April Movement (M-19) who attacked the Palace of Justice in Bogota last November, leaving 115 people dead.

Francisco Quinones Reyes, Nicaraguan ambassador to Colombia, said that his country has demonstrated it has no influence on Colombian internal affairs and said he considers that Nicaraguan Foreign Minister Miguel D'Escoto's response to the diplomatic message from his Colombian counterpart, Augusto Ramirez Ocampo, rendered the accusations nil.

"I believe that we have responded satisfactorily and with the promptness requested by Colombia, and it has been established that we are not guilty. The episode has ended," Quinones said on Radio Cadena Nacional (RCN).

The diplomat also considered "concluded" the incident over the presence of Interior Minister Tomas Borge at a mass in Managua at which someone draped an M-19 flag over the altar and praised the guerrillas killed in the attack on the Supreme Court. Quinones stressed that according to the response sent by D'Escoto 2 days ago "it was a mass in the memory of Commander Enrique Schmidt, director of Nicaraguan Telecommunications and Postal Services, who was killed while fighting against mercenary groups."

The Nicaraguan representative said, in response to the accusation that arms sent in 1979 to the FSLN were found in the M-19 arsenal inside the destroyed building, that "we received only one-third of the rifles."

Quinones Reyes stressed that relations between Colombia and Nicaragua "are normal, and we believe it is our turn to continue promoting peace efforts, because we understand that Colombia has been one of the forerunners," of Central American cooperation through the Contadora Group.

Ambassador Quinones recalled that the accusations of Sandinist government involvement in the training of the M-19, which until June 1985 maintained the official truce established in 1984, were made by the U.S. Government, which is "trying to torpedo the Contadora Group's efforts, even though it says that it supports the Group."

VOLCANO EVACUEES ALLOWED TO RETURN HOME

PA070212 Bogota Television Service in Spanish 2357 GMT 6 Jan 86

[Statement by unidentified official -- monitored in progress]

[Text] ...day and night, minute by minute, the seismic and volcanic activity of the Nevado del Ruiz Volcano, and taking into consideration the evolution of the situation, as of this hour, that is 1600, and assuming no new developments will force the adoption of different measures, the government hereby notifies the people living in the areas of Honda, Guayabal, and Ambalema they may now return to their homes.

In view of the fact that the technical information we have on hand indicates there would be a very short period of time in which to take action in the event of a new avalanche, the residents of the lowlands of Mariquita and Chinchina must stay out of that area until further instructions are given, bearing in mind that the threat of new developments has not been totally eliminated, as well as to prevent tragedies.

The areas permanently evacuated after 13 November 1985 will not be occupied again under any circumstances. The local authorities will enforce this control.

As the residents return to their homes, the monitoring of the rivers must continue, as natural events cannot be forecast, and the danger cannot be understood and estimated beforehand; therefore, we advise that cautious measures be adopted to prevent the loss of human life by avalanches or floods.

The authorities, the Armed Forces, the Civil Defense, and the Red Cross will continue to lend all necessary assistance. The committee of volcanic studies will continue to issue communiques to the people on the volcano's activity; in this manner, the people will be kept posted on any developments. Thus, the residents of that particular area will be able to evacuate in an orderly fashion, as was the case on 4 January, without panic, to higher and safer areas, as determined by the local authorities.

In conclusion, the residents of the lowlands [as heard] of the areas of Honda, Guayabal, and Ambalema can return to their homes as of this moment, 1600. The residents of the lowlands of Mariquita and Chinchina must continue to follow the evacuation order in view of the short period of time, in the event of an avalanche, they would have to go to safe areas. The residents of areas that have been evacuated on a permanent basis since 13 November 1985 must remain in the places that the authorities have indicated.

To conclude, and for your information, a new expert is arriving this afternoon from a Hawaiian laboratory, Dr Victor (Okamura), who will aid local and foreign scientists in studying the volcano's activity. Thank you.

1986 FOREIGN TRADE STRUCTURE OUTLINED

PA031633 Bogota EL TIEMPO in Spanish 24 Dec 85 pp 1A, 8A

[By Jose Suarez]

[Excerpts] The government has defined the bases of the Colombian foreign trade structure for the coming year, framed within a greater liberalization of imports, an increase in the budget to pay for these imports, the elimination of import difficulties, and the reduction of direct subsidies for exports. These are the bases:

The budget for reimbursable imports for 1986 will be $3.6 billion, with a monthly average of $300 million. This amount might be increased within the next few weeks in view of increased foreign exchange from coffee sales.

The import budget for the Amazonas and Putumayo regions was increased by 25 percent, and for San Andres by 10 percent. The budget for International Fair of Bogota was doubled from $15 million to $30 million.

Yesterday, the Foreign Trade Executive Board moved 203 entries in the customs tariff book to the list of items that can be imported freely, without restrictions. As a minimum, each entry has a similar number of different products. [sentence as published] This step was taken within the liberalization process for imports which has recently been applied, especially to raw materials. Therefore, at the end of 1985 a large percentage of the items on the customs tariff lists are now on the list of itmes that can be imported freely, in compliance with international agreements.

In the last few days, the monetary authorities adopted measures to eliminate difficulties in trade, such as demanding advance deposits and minimum time periods for the payment of imports.

On the subject of exports, there was an average reduction of 50 percent in the Tax Rebate certificate, CERT, for 1985. This reduction will be compensated for by a balanced rate of exchanges. There will be four CERT levels for 1986, which are: Zero percent, 5 percent, 9 percent, 14 percent as EL TIEMPO has been forecasting since last November. In addition, there will be a special CERT level of 20 percent for cotton exports, in view of the pricing difficulties for this porduct, which will also have a compensation mechanism. The final CERT fiscal costs for next year will be only 14.625 billion pesos, which is less than the 19 billion pesos in 1985.

Total exports other than coffee for next year will be $1.691 billion, according to government forecasts.

During the current year, minor [menores] exports in Colombia increased by 19.7 percent and the country had, after 6 years, a favorable trade balance of over $142 million, according to information supplied by Economic Development Minister Gustavo Castro Guerrero at a press conference yesterday.

This year Colombia managed to recover the Andean Group, EEC, and U.S. markets. The government anticipates that with the United States will be balanced.

The main measure adopted by the government to sustain the growth of exports other than coffee is that related to the CERT for 1986. As far as the growth of exports other than coffee are concerned, the government stated that nearly all have increased, with beef, sugar, and bananas the exceptions. Cotton, on the other hand, increased 65.4 percent, rice 54 percent, flowers 6 percent, tobacco 6 percent, and prawns 3.8 percent.

In the manufacturing sector, exports increased by 24 percent, excluding nickel-iron; in the mining sector, the increase in exports reached 124.6 percent, basically due to initiation of coal exports. Exports of platinum increased by 56.7 percent, and exports of precious stones by 23.3 percent.

BRIEFS

AMBASSADOR TO CHILE --Bogota, 3 Jan (DPA) -- The government has appointed Jorge Enrique Rodriguez, an architect, as ambassador to Chile, replacing Vicente Borrero Restrepo. [Summary] [Hamburg DPA in Spanish 1720 GMT 3 Jan 86 PA]

MINISTER ANNOUNCES NEW FORMULA FOR OIL SALES

PA061401 Quito Voz de los Andes in Spanish 1230 GMT 5 Jan 86

[Text] The deterioration of oil prices on the international market has become the main concern of energy authorities. This week, the price of Ecuadoran crude remained low, at less than $25 per barrel.

In this context, Energy and Mines Minister Javier Espinosa Velez has announced a change in the formula for selling a number of different types of crude oil. He explained that some oil is being sold at floating market prices and other oil is being sold at the official market price. This is a dual system, he said, which I believe to be the most equitable.

Sales of crude are based on the price of Alaskan crude, which is inferior in quality to Ecuadoran crude and varies greatly in price.

ALFARO LIVES LEADER KILLED IN CLASH WITH POLICE

PA060327 Paris AFP in Spanish 1739 GMT 5 Jan 86

[Text] Quito, 5 Jan (AFP) -- The deputy commander in chief of the Ecuadoran subversive group Alfaro Lives was killed on Saturday near Mariscal Sucre Airport in Quito. This was confirmed today in a call to AFP by a member of that organization. The police have remained silent about this incident, which occurred on Saturday afternoon; however, the person who contacted AFP, who did not reveal his name, confirmed what several media had announced today.

The subversive was shot in a clash with several policemen dressed in civilian clothing, who attempted to arrest him. Fausto Basantes Borja, accused of several crimes, kidnappings, and drug trafficking, was well known in the country along with four other Ecuadorans, thanks to the continuous and permanent announcements in all of the media that a 5-million sucre ($52,000) reward had been offered for each of them.

The two men identified as members of the Alfaro Lives group had had some part in the kidnapping of the banker Nahim Isaias, who was killed along with five subversives, three of them Colombians from the M-19; a month ago they tried to kidnap the son of Antonio Granda, another wealthy Ecuadoran. Granda resisted and was able to escape; however, his face was disfigured by three shots. Granda wounded one of his would-be captors.

After their failure with Isaias, for whom they demanded $5 million, the group robbed a bank, stealing only $15,000.

Three other members of the group escaped from Garcia Moreno Prison in Quito through a 300-meter engineering tunnel.

The government has launched a campaign to eliminate this subversive group. The year 1985 has been the year of the most activity to date by the subversive organization which, after stealing the sword of Eloy Alfaro, leader of the liberal revolution in the past century, is approaching its third anniversary.

FURTHER REACTIONS TO U.S. ENVOY-ACCORD MEETING

Government Not To Protest

PY070131 Asuncion Red Privada de Teledifusora Paraguaya de Television in Spanish 2300 GMT 6 Jan 86

[Excerpts] At the opening of official activities this week, His Excellency, president of the Republic and commander in chief of the Armed Forces, General Alfredo Stroessner, answered official questions in his office at the Lopez Palace and, after signing resolutions, met with Finance Minister General Cesar Barrientos, retired, Juan Ramon Chavez, Senate president and president of the Colorado Party government junta, Interior Minister Sabino Augusto Montanaro, and Justice and Labor Minister Jose Eugenio Jacquet.

Asked if the national government will file a protest to the U.S. Embassy over recent events well known to the public, Minister Montanaro replied:

[Begin recording] The subject was not discussed at all, so I do not believe it will; I do not believe it will. The government will give its opinion but will not... at least I understand that it will not, file any protest, because the case involves an action that, in the ambassador's view, can be correct, but which in the view of some of us is not correct. As the Constitution says... we are respectful of the policy of nonintervention in internal affairs, just as we are of the self-determination of peoples. We would not like to appear to be meddling in the political problems of other countries. [end recording]

Politicians Comment

PY062029 Asuncion Radio Primero de Marzo in Spanish 1440 GMT 6 Jan 86

[Passage within quotation marks recorded]

[Text] The meeting that U.S. Ambassador Clyde Donald Taylor had with opposition sectors has prompted various reactions within the political sectors. Ruling Colorado Party members referred to the ambassador's action as an intervention in our domestic affairs. However, Genuine Liberal Party [Partido Liberal Teete] leader Dr Carlos Levi Rufinelli said Ambassador Taylor's actions do not constitute intervention.

[Rufinelli] "We should first take into account the fact that people believe human rights and democracy are achievements for which there are no borders and to which, by definition, government resolutions or coercive laws do not apply. However, aside from the fact that people have the right to engage in discussions, there is something that was discussed 500 years ago. When Charlemagne wanted to issue a decree compelling his subjects to convert to the Catholic faith, a Catholic priest was astute enough to tell him that freedom of conscience, which entails freedom of expression, cannot be restricted by any law, and furthermore, no law that will not be complied with because it goes against human nature should ever be issued.

"The government claims that it is Paraguay, but neither the government nor the Colorado Party members are Paraguay. They are part of Paraguay, just as we are also part of Paraguay. As human beings we have rights that cannot be subject to the will of the government, which has signed solemn human rights treaties, such as the one establishing that no one can deprive us of the right to speak and express our ideas and opinions.

"Now, the situation would have been quite different if the United States had sent a Marine battalion to our country to help someone."

For his part, speaking about the U.S. ambassador's meeting with National Accord members, Radical Liberal Senator Luis Maria Vega said that a democracy should guarantee freedom of information and other liberties.

[Vega] "As I see it, a diplomat in any country, provided it is ruled by a democratic government, is free to gather information on any domestic issue of that country, because it is logical that a diplomat should become acquainted with the situation and learn about the real state of affairs in the country where he will discharge his duties. I do not think a diplomat's efforts to learn about the events in a country can be regarded as intervention in that country's domestic affairs."

Dr Edgar L. Insfran, who for many years served as interior minister, said the U.S. ambassador's meeting with National Accord members is not in line with the nature of the activities engaged in by representatives of a foreign nation.

[Insfran, in progress] "...simply because he must develop his activities before the government to which he has been accredited. He asked for an audience with the president, with the president of the judicial branch, and with the president of Congress. This is a correct and standard procedure. However, I think that by granting the same treatment to just any group in the country he has overstepped the limits of his ambassadorial duties. In my judgement, to attend a conclave to which a legally established party and unrecognized parties have been summoned entails intervention."

Concerning the U.S. ambassador's meeting with representatives of the National Accord, Radical Liberal Party President Emilio Forestieri, a councilman, said: This is nothing new.

[Forestieri, in progress] "...because the embassy has traditionally held talks with all sectors in our country. I have learned through the press -- the ambassador himself, whom I met Friday at 1500 for over 1 hour, gave me this information -- that he also visited the Colorado Party executive board headquarters, that he met Armed Forces members, and that he will continue to meet with other sectors like Feprinco [Paraguayan Industrial and Commercial Federation], the Industrial Union, and others, right? He has also held talks with other political parties such as the Liberal Party. He also talked with us, and in the near future he will visit our party headquarters. I told him that we will summon Radical mid-level, rank and file, and top-ranking leaders, as well as labor and youth leaders, so that he may have a total picture of our activities and what we think about the situation prevailing in our country.

"Therefore, this was just another visit, another conversation with political leaders of other sectors. I think he will also meet Catholic Church representatives, as he told me."

Liberal Party Deputy Carlos Ferreria Ibarra said he does not believe Ambassador Taylor has intervened in our domestic affairs.

[Ferreira Ibarra, in progress] "...because the ambassador did not give any guidelines, and suggestions as to which course the political parties were to follow. Summing up, he did not give any guidelines. It was simply an exchange of views. Therefore, I do not think this is intervention in our domestic affairs. Obviously the Liberal Party would not accept foreign intervention in our domestic political affairs or for that matter in any of our affairs, because we Paraguayans are capable of solving the problems we do have; within the law."

For his part, Colorado Deputy Angel Roberto Seifart said that the mere fact that the U.S. ambassador held a meeting with National Accord members cannot be regarded as intervention in our domestic affairs.

[Seifart] "Now, it would have been different if the ambassador or officials of that embassy had provided guidance, instructions, or any type of help showing that they were siding with a specific group. If such things were to happen, they would be rejected as intervention, because they would be unacceptable and we could not tolerate such occurrences under any circumstances. The mere fact that an embassy has gotten in touch with an irregular group, that is,with political parties which have not been recognized and which, as such, do not exist, does not grant them legal status. Neither can such groups expect that because of this mere fact they have been granted recognition as parties."

In this regard, Febrerista Revolutionary President Dr Fernando Vera said:

[Vera] "When a U.S. ambassador publicly approves of what the government does, everything seems fine, but when an ambassador wants to learn about the real political situation in the country where he will discharge his duties, everything is then quite wrong."

The harshest criticism of the U.S. ambassador's meeting with members of the National Accord came from Interior Minister Dr Sabino Augusto Montanaro, who said this is intervention in our country's domestic affairs. In this regard,Dr Vera said the minister's reaction was not politically wise and that this could cause U.S.-Paraguayan relations to deteriorate. He then added:

[Vera] "The Christian Democratic Party, the Colorado Popular Movement, and the Authentic Radical Liberal Party exist, regardless of the government's pleasure or displeasure, and regardless of their being recognized or not by the central electoral board. To say that they are irregular groups that do not exist is to refuse to admit the truth. They represent major civic and democratic sectors, and this is very important. These National Accord sectors should be recognized, I would say even at the government's own initiative. The ambassador clearly explained the purpose of his contacts with the political sectors in our country: To get a political X-ray of the country, to know the entire spectrum of political forces, opinions, and proposals."

For his part, Fulvio Hugo Celauro, former Liberal Party president, said he does not know the U.S. ambassador, who last week met National Accord members. Asked by a Primero de Marzo reporter about his opinion regarding the dialogue between the ambassador and the politicians, Celauro replied dryly: I do not know that gentleman. He continued to walk and declined any further comment.

Taylor 'Attitude" Questioned

PY070205 Asuncion ULTIMA HORA in Spanish 6 Jan 86 p 10

[Excerpts] Dr Adan Godoy Jimenez, vice president of the Colorado Party Executive Board, this morning told ULTIMA HORA his opinion about the dialogue U.S. Ambassador Clyde Donald Taylor held with the irregular opposition. He said: "I am deeply surprised at the ambassador's attitude. Such an attitude by the ambassador of a friendly country is hard to understand. We would not have thought, after having talked with this gentleman, that he would display such an incorrect attitude. It shows that his interest goes beyond mere curiosity."

Godoy Jimenez, who is also the health minister, added: "I hope, I hope Ambassador Taylor will reconsider and will take the right course."

The minister added that the ambassador must rid himself of his current advisers. "He would thus better serve our democracy, which we Paraguayans will maintain and, if necessary, improve," he stressed.

PDC's Perina Endorses Meeting

PY070012 Asuncion ULTIMA HORA in Spanish 6 Jan 86 p 10

[Text] Romulo Teobaldo Perina, former president of the Christian Democratic Party and current member of that party's national board, has stated that "as a rule, the ambassadors of friendly countries consult the leaders of the various political groups. Therefore, I do not consider it interference in domestic affairs, because the meeting which [U.S. Ambassador] Taylor held with leaders of the National Accord was simply an exchange of views."

Perina added: "Moreover, the subject of human rights is a universal issue, I do not see why anyone should get upset about the fact that this subject was discussed. If our government proclaims loudly that we live in democracy, this means the existence of various views."

Perina said that "ambassadors preceeding Taylor did the same. Therefore, this is not something without precedence. He followed in the previous ambassador's footsteps."

The former party president went on to say that "intervention, for example, would be to propose changes in the current structure. This was only a chat. Therefore, all this is in line with the preaching of the progovernment press in favor of political pluralism."

The Christian Democratic leader added: "Moreover, I believe that government circles have magnified this event to an extreme. The opposition politicians have responded with courtesy to the U.S. diplomat's interest. Let us judge it from this point of view and not with ill-intentioned purposes."

Colorado Deputy Criticizes Taylor

PY062249 Asuncion ULTIMA HORA in Spanish 6 Jan 86 p 10

[Excerpt] Ruling Colorado Party spokesmen have criticized the meeting that U.S. Ambassador Clyde Donald Taylor held with the opposition parties making up the National Accord, most of which have not been granted legal recognition.

In response to a question put to him this morning, Deputy Adolfo Zayas said he was not aware of the details of the case because he had been out of town. However, he said: "In principle, I would say this type of thing involves intervention in the domestic affairs of a country."

Colorado Party Executive Board Vice President Ruben Stanley refused to comment on the issue because, he said, he was not aware of the details as he too had been out of town."

OPPOSITION FEARS NO DIALOGUE POSSIBLE

PY031732 Paris AFP in Spanish 1846 GMT 2 Jan 86

[Text] Asuncion, 2 Jan (AFP) -- Opposition members stated here today that the project of forming a multiparty group to coordinate the reconciliation among all the Paraguayan political sectors for a democratic opening will stumble over the inflexible attitude of government hardliners, who refuse to recognize that there is no democracy in the country. The discussion which started after Radical Liberal congressmen announced the creation of a multiparty group has disappointed members of the irregular opposition, gathered around the National Accord coalition.

Leaders of the accord who were interviewed by AFP have praised the willingness of some government leaders to start talks with the opposition through the multiparty group, but remarks by other leaders of the ruling Colorado Party, who discarded the possibility of talks with the irregular opposition, have provoked pessimistic reactions in the church, as AFP learned in talks with leaders.

The official government newspaper, PATRIA, has commented in an editorial that if the unrecognized opposition wishes to take part in the dialogue it has to obey the law and be recognized by the Central Electoral Court. Nevertheless, influential leaders of the traditionalist sector of the ruling party are willing to meet members of the National Accord, as stated by some of them who were contacted by AFP but who prefer to remain anonymous. The discussions related to the multiparty group have caused the expectations of the Paraguayan people to rise. They are unaccustomed to flexibility in their government leaders. These discussions were announced a few days after the Catholic Church confirmed its decision to start a national dialogue among all sectors of the population.

Fernando Vera, president of the Febrerista Revolutionary Party (PRF), which has been recognized but has decided to stay out of the process, said that his party will not engage in sectarian maneuvers to push aside the members of the National Accord. He explained that the true opposition to the government of General Alfredo Stroessner will sit at a negotiating table only if the state of siege in force in the country for the past 31 years, and repressive measures are lifted, and if there is a real freedom of the press. Vera reasserted that a dialogue between the opposition and the government cannot lead to anything positive if the principal protagonists are left out. Whether it pleases the government or not, the Authentic Liberal Radical Party (PLRA) and the Christian Democratic Party exist. To proclaim them irregular proves nothing but the intolerance of sectarianism, Vera added.

On the other hand, Waldino Lovera, current chairman of the National Accord and head of the dissident Colorado Popular Movement (Mopoco), has demanded a broad amnesty for all political prisoners and exiles before the dialogue. In reply to a question by AFP, Lovera said that the founder of the official Colorado party, Bernardino Caballero, granted amnesty to all his countrymen in an unforgettable message to the National Congress in 1881. Lovera added that Caballero invited all exiles to return to the country to work for national reconstruction after the war against the Triple Alliance (Argentian, Brazil, and Uruguay), and even offered to pay for their trips. Lovera concluded that amnesties are frequently used as a means of political reconciliation.

Colorado Leader Views Dialogue

PY042010 Asuncion EL DIARIO in Spanish 4 Jan 86 p 9

[Text] Pedro Hugo Pena, the political secretary of the Colorado Party, has stated that "the members of the so-called Mopoco [Popular Colorado Movement] must appear before the party's authorities, acknowledge that they have made a mistake, and subject themselves to party discipline because they have been expelled. After they have done this, we will see what we can do with them, whether they will be allowed to become members again."

The high-ranking Colorado Party member made this statement when referring to the proposal of the National Accord, of which Mopoco is a member, to seek through the church a dialogue with all the country's political sectors, including the Colorado Party.

Pena said that there is no reason for the Colorado Party to hold a dialogue with the sectors that have been termed "irregular," with the exception of the Febrerista Party.

The political leader also stated that "the Christian Democratic Party should obtain the established number of members and comply with the regulations that are demanded for a legally established party instead of seeking a dialogue. Regarding the Authentic Radicals, he said they should resolve their interparty squabbles.

Pena stated that he has no knowledge of the creation of a multiparty grouping with the opposition parties that are participating in the country's political process. However, he did admit that talks are going on with leaders of the PLR [Radical Liberal Party], but everything is being carried out at the level of individuals, not at the level of organizations.

He stressed that if an institutional dialogue is undertaken with the legal opposition, then matters must be undertaken in another way. "If they want to talk with us, we will impose conditions. They must come to the headquarters of the Colorado Party," he stated.

Pena recalled: "We have been talking with the legal opposition since 1963 through the ballot boxes, because they, too, participate in the elections. Our current talks with Radical Liberal leaders do not commit the party at the organizational level because everything is being done at the level of individuals."

CHURCH COMMITTEE VIEWS POLITICAL SITUATION

PY042341 Paris AFP in Spanish 2352 GMT 3 Jan 86

[Text] Asuncion, 3 Jan (AFP) -- Unable to obtain solutions through political parties, Paraguayan popular movements have endorsed the actions of urban and agricultural labor organizations that are determined to gain strength despite the government's repression, according to a report drafted by the National Committee of Churches to which AFP had access. The Committee of Churches, which up to less than 1 month ago was made up of representatives from the Catholic Church, the German Evangelical Church, and the Disciples of Christ, until the Catholic Church decided to withdraw from the organization, is known in Paraguay for the apolitical assistance that it has given to workers, campesinos, and the politically persecuted for the last 15 years.

Focusing on the Paraguayan political situation in 1985, the analysts describe as courageous the role assumed by peasants and union leaders who have managed to reorganize their organizations. Despite having promoted the popular cause in a nonviolent tone, the analysts say, these leaders were charged with being communists and agitators and sent to jail. The report predicts that so long as these organizations manage to grow and gain strength, they will lead the way toward solving the current political and socioeconomic crisis, unless the political parties are once and for all able to rise to the people's expectations and play a leading role, after being gagged for so long by the military.

The Committee of Churches' analysts stress as almost a fact that while President Alfredo Stroessner continues to live no orderly procedure for the succession will be undertaken. They also attribute to a Stroessner political ploy the emergence of antagonistic infighting to obtain the leadership of the ruling Colorado Party Executive Board between two internal factions: one of them -- the militants -- answer to the president, and the other -- the traditionalists -- groups the party's civilian oligarchs.

According to the report, through this political ploy the president will be able to gauge just how far the presidential ambitions of some members of his group go. The The document emphasizes that in Paraguay it can be said that there is no process for the succession to power. The report adds that what could happen now is a public exposure of the internal power struggle being waged within the regime by those who are trying to strengthen their positions in order to take advantage of the power vacuum that would be created if Stroessner died unexpectedly.

In view of the nature of this system, which is based on personalism and verticalism, the document continues, it is very possible that the Paraguayan people will once again be unable to elect Stroessner's successor, but it is undoubtable that the recovery of democracy is not far off, because Paraguay cannot be blind to the current Latin American trend.

Contrary to the opposition announcement that the regime is falling apart, the whole repressive apparatus is still very entrenched. Regarding the future role of the collaborative. or congressional, opposition (Liberals and Radical Liberals), the report highlights the fact that this opposition is fully aware of the electoral farce, but its future depends on its good behavior toward the government.

The report says that the collaborative opposition realizes the political credence that the government obtained through its participation in the democratic opening process. In exchange, these opposition members obtain only congresssional and municipal salaries.

Regarding the role of the four-party opposition coalition, the National Accord, which is not recognized by the government, the analysts indicate that due to the crumbs that the ruling party hands out, the members of the coalition believe participation is not justified and they prefer abstention. The report says that this abstention is not accompanied by political activity that would lead to the mobilization and organization of the ever-growing political and social sectors. The document makes it clear that the National Accord is still following a defensive policy and that it is incapable of taking the initiative.

FISHERIES MINISTRY BUILDING IN LIMA BOMBED

PY061341 Madrid EFE in Spanish 1305 GMT 6 Jan 86

[Text] Lima, 6 Jan (EFE) -- A terrorist attack was perpetrated this morning against the Fisheries Ministry building in Lima. Three dynamite sticks exploded at the door of the building and shattered its windows. It is believed that the attack was carried out by members of the Maoist Shining Path organization.

BANK, GOVERNMENT WORKERS OBJECT TO SUMMER HOURS

PY032310 Lima Panamericana Television Network in Spanish 0200 GMT 3 Jan 86

[Excerpts] A group of bank employees has protested against the new summer schedule by staging a stoppage; the public could not withdraw money from the bank after the long year end bank holiday. The stoppage was partial, and Lima Prefect Jorge del Castillo personally intervened to keep the Industrial Bank open for business.

A similar incident occurred at the (Bise) Bank; it was closed for business on account of the 48-hour strike declared at the bank. Business went on as usual at the Peruvian Commerce and Construction Bank, better known as Banpeco, as well as at the Credit Bank of Peru.

The new summer schedule affects nearly 70 percent of the bank employees, who have to work half an hour longer than before. They are refusing to do so. The secretary general of the Bank Employees Federation Jorge Villasanti said that the government should revoke the resolution whereby working hours are increased.

[Begin Villasanti recording] Another meeting was called today by the coordinating group of all the unions affected by this unconstitutional Decree 107 promulgated by the Alan Garcia government. All workers are rejecting this decree because it is unconstitutional and illegal. In Peru, where we purportedly have a state of law, work contracts cannot be violated by a government decree, and the constitution says so. What we are doing is defending the constitution and the state of law in Peru. [end recording]

Civil servants did not comply with the order by CITE [International Committee of State Employees] for public administration workers to leave their offices at 1330, disregarding the new schedule, which requires them to stay until 1545. From 2 January through 31 March, the summer schedule, with hours from 0745 to 2545, is officially effective.

FOREIGN MINISTER VIEWS CONTADORA GROUP EFFORTS

PA032124 Caracas EL NACIONAL in Spanish 24 Dec 85 p D 1

[Text] For Foreign Minister Simon Alberto Consalvi, 1986 will be a decisive year for Central America.

At the request of journalists, Minister Consalvi made a statement yesterday which dealt mostly with the Central American situation, the difficulties confronting the Contadora Group and its prospects for next year, and the effects that the change of government in three of the five countries in the area will have on the current crisis.

Regarding the Contadora Group's actions and possibilities, Minister Consalvi said:

There is no doubt that the Contadora Group is going through a period of serious difficulties, which must be cleared up during the first weeks of 1986.

He added that the Contadora and Support Group foreign ministers are looking forward to meeting in Guatemala during President Cerezo's inauguration. Representatives from the Central American countries will surely be there, making it a suitable occasion to review the situation in general and to make decisions as warranted.

He said: At no time has the process been easy. As we have said before, it is a Latin American experience which for the first time seeks a Latin American solution for the regional conflict.

In Consalvi's opinion, the Contadora Group's efforts are indeed meritorious. He said that for 3 years the countries involved have been engaged in consistent and persistent efforts. The Contadora Group has spared no effort and has done everything possible to maintain understanding among area countries.

He noted that the work performed by the plenipotentiaries is worthy of praise.

Consalvi then added that it is necessary to admit "the great difficulties in the region; the reservations or mistrust existing among the countries; the internal conflicts seriously affecting the quest for peace, since, obviously, negotiations are quite complex for countries with internal conflicts."

However, considering all these factors, we must admit also that the Central American countries have shown goodwill throughout the process, he stressed.

After all, the Contadora Group began its efforts with the concurrence of the Central American countries; otherwise, it would not have been possible to foster the process or to conduct efforts that mainly require political willingness from the Central American states, he emphasized.

Regarding the Contadora Group prospects for next year, Consalvi said:

I believe that 1986 will be a decisive year for Central America. Three new governments will be installed in three of the five Central American countries. They will be governments elected by the people, in pluralist societies, which represents a movement towards democratization in the region. As we know, the region has been under the domain of dictatorships or de facto governments for most of the 20th century, with the exception of Costa Rica.

He added: The Contadora Group countries have been and will continue to be flexible, as this is our obligation. I am sure that we will have a positive reply from the Central American governments, whose peoples can endure no longer the state of war, the situation of poverty, and economic crisis that is a result of violence.

As an example, he recalled that inter-regional trade has hit levels never achieved before.

Consalvi believes it is necessary for the international community, beginning with the United States and including the EEC and Latin America, despite individual difficulties, to make a special effort to contribute as much as possible to consolidating democratic and pluralist regimes in the region, and "to work hard in order to give special attention to the requirements for economic development."

In the opinion of Minister Consalvi, 1985 was a particularly active year in the international field. Our foreign policy was geared toward the creation of a suitable climate for economic negotiations among the Latin American countries, like our participation in the Cartagena Consensus, as well as in regional and international political forums. It was a year of intensive work.

He then stressed that effective 1 January, Venezuela will become a member of the UN Security Council for a 2 year period.

He said: In this manner, we will assume a serious responsibility, because the UN Security Council is the paramount international political organization, and it deals with the most important conflicts of modern times.

At the council we will reaffirm the fundamental principles of our foreign policy, including our support for the struggle against terrorism, which is a factor of destabilization and disturbance on the international scene.

BRIEFS

NEW AMBASSADORS -- The Foreign Ministry has announced that Venzuela will appoint new ambassadors to the United Nations, Switzerland, Brazil, Panama, Jamaica, Guyana, Austria, and Belgium. The ambassadors will be former Justice Minister Andres Aguilar to the United Nations, Senator Domingo Urbina Cabello to Switzerland, Fernando Gerbasi to Brazil, Enrique Peinado Barrios to Panama, Cesar Rondon Lovera to Jamaica, Hugo Alvarez Pifano to Guyanan, Francisco Sucre Figarella to Austria, and Jose Antonio Olavarria to Belgium. [Text] [Caracas EL UNIVERSAL in Spanish 26 Dec 85 p 1 PA]

TEXT OF DE LA MADRID TOAST TO U.S. PRESIDENT

PA070337 Mexico City THE NEWS in English 4 Jan 86 pp 1, 14

[Toast by President Miguel de la Madrid on the occasion of visit by President Ronald Reagan; in Mexicali on 3 January]

[Text] Your Excellency, the President of the United States of America, distinguished members of your party, ladies and gentlemen:

The talks that President Reagan and I have held today represent significant progress in the efforts of our governments to promote increasing cooperation in matters linked to the relations between our two countries.

We have identified factors that encourage a climate conducive to bilateral cooperation. We have also agreed on the need to continue nurturing dialogue so as to take full advantage of all available avenues of communications and consultations.

President Reagan:

Our talks have once again revealed the very complex mosaic that makes up the links between Mexico and the United States. The number and diversity of such links, as well as areas for agreement that would benefit both peoples, are enormous. Our talks have also confirmed our shared will to encourage mutual understanding, joint action and reciprocal benefit.

We should underline the positive aspects of those relations -- progress and accomplishments -- but we must also recognize their deficiences and limitations.

Progress has been made in a number of areas. There is respectful and continuous political communication in international problems. We have made progress in trade negotiations; in cooperation to eliminate pollution problems along our border; in combating drug trafficking; in the useful participation of your government and of different United States private banks in the restructuring of our foreign debt, and in general, in the daily, abundant movement and positive flow of goods and services in both directions.

But, just as our relations in all areas have been intensified and opportunities for cooperation have increased, the potential areas of conflict that we must guard against and prevent have also grown.

Mr President: We have agreed that common problems demand concerted solutions. To benefit healthy short- and long-term relations, it is to both countries' advantage to solve matters that are pending and to foresee differences, in order to keep them from becoming controversies. An outstanding item on the bilateral agenda is Mexican migratory workers, recognition of the contribution they make to the United States and the Mexican economies and the need to guarantee their human and labor rights. It is also essential to increase support for border cooperation in both economic and cultural areas. Solving pending fisheries matters, moving forward in the clean-up of environmental pollution in the border zone and putting the treaty on maritime boundaries into force are also topics that warrant our highest consideration.

The drug trafficking problem will continue to call for priority action by our governments. We must act simultaneously and in coordination, with equal force and effectiveness, to do away with the production, the marketing and the use of narcotics, the various aspects involved in the sequence of this terrible international crime.

Now, more than ever, the economic side of our relations demands careful attention. Broader, more diversified and more equitable cooperation could yield significant benefits for producers and consumers on both sides of the border. As governments, we should do even more to promote trade and the flow of financing, technology and tourism between our countries, while recognizing the difference between our levels of development, and the fact that it is neither advisable, nor even possible, to apply criteria of strict reciprocity in such areas.

Mr President, during the years in which you and I have headed our respective governments, progress has been made in that direction. Nonetheless, there is still much that we can do.

Mexicans have made increasingly strenuous efforts in the last three years to cope with the country's severe economic crisis. My people have responded to this uncommon challenge with exemplary responsibility. We have acknowledged our problems truthfully and taken firm and decisive action. With determination and sacrifice we have tried to meet the fundamental requirements of our country's development, and at the same time, to fulfill the obligations contracted with the international financing community. However, the challenge is growing even greater because of adverse international factors, as shown by the dramatic instability of world raw materials, prices and the negative flow of foreign financing.

Just a few days ago, in Uruguay, the countries of the Cartagena Consensus approved the Montevideo Declaration, which contains proposals for solving Latin America's foreign debt and economic growth problems. They also presented a general but conclusive diagnosis of the grave deterioration of Latin American economies in recent years, and the consequent decline in our living standards.

In Montevideo, the countries of Latin America unanimously agreed on the following conclusions:

-- Exceptional efforts have been made to reorder the various economies, but no amount of internal effort can make up for the effects of the extraordinary deterioration of international economic conditions.

-- Even the most severe adjustment measures attempted by any Latin American country are insufficient to compensate for the extremely heavy burden of the foreign debt services; in order to pay we need to grow.

-- Adjustments within a country do not suffice, either, to neutralize the loss of resources caused by the falling prices of Latin American exports, subsidies to products that compete with them, or market protectionism.

-- Latin America's lack of growth generates serious social problems that open the doors to political instability and jeopardize the consolidation of the democratic process.

-- The international crisis must be addressed in its overall context, giving due weight to the aspect of financing, trade, investments and the transfer of technology.

In view of the above, acting realistically and with a constructive purpose in mind, the Cartagena Consensus countries have proposed a set of measures that are accurately summarized in the Montevideo declaration. These proposals should be given urgent attention by industrialized countries in a spirit of shared responsibility.

The United States Government has recently taken measures that represent a step forward in the recognition of that shared responsibility and of the need for political dialogue to solve the debt problem.

This is how we understand your proposals, as expressed by Secretary Baker. We trust this attitude will be reinforced and will become the starting point for imaginative, efficient formulas.

It is my hope that our countries will move resolutely onward toward a new era of hemispheric cooperation for development.

The industrialized countries also have much to gain from a solution imposed by the convergence of interests. Overcoming the economic crisis of Latin America would strengthen world trade, place international finances on a sound footing and raise the levels of employment, investment flows and technology transfer.

President Reagan, in addition to the economic disarray, the world is faced today with grave political tentions. Nuclear stockpiling, arms escalation, terrorism and regional conflicts, all within a climate of estrangement rather than detente, represent a dangerous mixture.

Therefore, Mexico is very pleased to note the steps taken to renew the dialogue between the United States and the Soviet Union. We hope that this process will continue and will lead to detente and disarmament and that the resources now being used for military weapons will be invested in worldwide social and economic progress.

Global detente would help at the same time to dissipate the conflicts that menance world peace in various regions. At the roots of such conflicts are longstanding and profound social and economic imbalances, as well as the lacking effectiveness of political institutions.

We find the most immediate example of this scenario in Central America. Today, you and I again considered the importance of finding a peaceful and negotiated solution to this conflict, which threatens to spread. A warlike situation in the region would entail grave risks to the political and economic stability of a large part (of) the continent and a high cost in intra-American relations.

Mexico will persist without respite or faltering in its effort to find an overall solution that respects the legitimate interests of all the countries involved and that affirms the principles of the self-determination of peoples, non-intervention, the peaceful solution of conflicts and cooperation for development.

Mr President: Our being neighbors is a fact of geography; our being good neighbors is a situation that implies good will and understanding.

The United States and Mexico are countries with deep institutional roots; societies with a democratic vocation, proud of their past and firm in their convictions, regarding a future of liberty, justice and well-being. Our historical experiences should be a source of renewal and indicate the avenues leading to mature and constructive international cooperation.

I cannot conclude these remarks without conveying to you, President Reagan, Mexico's gratitude for the expressions of friendly solidarity that, on the occasion of last September's earthquake, we received from the Government of the United States, from private institutions, and from countless generous individuals who came to our assistance in a spirit of high humanitarianism. The presence of your wife, Nancy Reagan, was a comfort to us and bore witness to her understanding in the face of hardship.

Mr President, please accept once again the expression of our esteem for the people of the United States and of our confidence that the governments, private institutions, and individuals of both countries will redouble our efforts to make our relations a continuous expression of cordial and productive coexistence, strengthening our situation as neighbors in an atmosphere of mutual respect for our sovereignty and in honorable and loyal friendship.

Thank you very much.

PRI President Praises Summit

FL061954 Mexico City NOTIMEX in Spanish 0240 GMT 5 Jan 86

[Text] Mexico City, 4 Jan (NOTIMEX) -- The meeting of the presidents of Mexico and the United States has strengthened the truly friendly relations between the two peoples, Senator Adolfo Lugo Verduzco, president of the Institutional Revolutionary Party [PRI], said today.

Commenting on the meeting of Miguel de la Madrid and Ronald Reagan, the PRI leader said that the foreign political activity of the Mexican Government is based on eternal principles and its exercise of national sovereignty. Lugo Verduzco added that the meeting of the Mexican and U.S. chief executives in Mexicali, northern Baja California, has contributed to the search for solutions to common problems and to the exchange of opinions on regional and world problems.

President Miguel de la Madrid insisted that the solution to the international crisis be linked to the problems being faced in finances, trade, and technology transfer, he said. It is again clear that our country is facing up to the international crisis by proposing concrete, realistic initiatives, Senator Lugo Verduzco said, eveluating the meeting of the two presidents.

The furthering of our development objectives as an independent nation and as a society that is in the process of transformation is a task that requires decision and a clear sense of direction that takes into account both the domestic and foreign fronts, he added. Lugo Verduzco said that at the meeting of the two presidents Mexico insisted on the need to find peaceful solutions to international controversies, progressing along the path of detente, disarmament, and cooperation.

SECURITY UPGRADED AT INTERNATIONAL AIRPORT

PA031907 Mexico City XEW Television Network in Spanish 1300 GMT 3 Jan 86

[Text] Yesterday Carlos Padilla, general manager of the Mexico City International Airport, said that security measures have been increased at that airport to prevent a terrorist attack. Padilla said that this year the airport will be fitted with new, sophisticated equipment that will effectively prevent any kind of terrorist attack in either the airport or the planes that depart from the airport.

Padilla said that a large part of the budget assigned to the airport has been used to acquire the equipment necessary to prevent the smuggling of weapons into the airport.

OFFICIALS RESIGN OVER SAN LUIS POTOSI VIOLENCE

PA070333 Mexico City THE NEWS in English 4 Jan 86 p 4

[Excerpts] San Luis Potosi - Nine key state government officials and six high-level aides of the newly installed mayor of this state capital have resigned in protest of brutal police attacks on demonstrators of the opposition National Action Party and the Potosi Civic Front.

Resignations started pouring in Thursday and continued Friday from disgusted government officials -- all members of the PRI -- who condemned the police violence.

Armed with yard-long lead pipes and assisted by San Luis Potosi State University youths, about 50 state judiciary police Wednesday attacked the demonstrators, who were protesting the installation of Mayor Guillermo Santos Medina. The protesters claimed the PAN candidate had been cheated out of his rightfully won victory in a recent election.

The Unified Mexican Socialist Party (PSUM), the Mexican Workers Party (PMT) and the Revolutionary Workers Party (PRT) joined the PAN and the Civic Front, their usual conservative opponents, in demanding the ouster of the state governor and his cabinet.

To mollify his constituents, the governor promised an in-depth investigation of those involved in the violence and said he will be "impeccably" honest in applying the law against those found guilty.

Local television Channel 13 ran full coverage of the events with scenes that identify the men setting fire to the City Hall and show state policemen, headed by their chief, in violence against the protesters.

The governor said he had not seen the televised report and asked reporters to obtain the film for him.

Armed troops have joined police in patrolling the city.

LA PRENSA NOTES NORIEGA CHARGES, QUESTIONS MOTIVE

PA062026 Panama City LA PRENSA in Spanish 6 Jan 86 p 1 A

[By Franklin Bosquez D'Giovanni]

[Text] A U.S. Army officer based in the Canal Zone who was consulted by LA PRENSA did not hide his surprise over a statement made yesterday by Panamanian Defense Forces [FDP] Commander General Manuel Antonio Noriega, who said there is a "terrorist commando" whose main objective is to attack the installations of the interoceanic channel.

The "scoop" provided by Noriega has been reported around the world. All the international news agencies have been "picking it up" because it is so spectacular.

This is the first time an important Panamanian official has spoken of attacks on the Panama Canal since 1977, when the late General Omar Torrijos Herrera, who at that time was head of government and commander of the National Guard, stated that if the U.S. Congress had not approved the treaties signed by him and Jimmy Carter the National Guard would have destroyed the canal installations.

Torrijos made that statement in answer to foreign newsmen's questions about what his reaction would have been had the North Americans not signed the treaties.

In an exclusive interview with LA ESTRELLA DE PANAMA, Noriega said that the alleged "terrorist commando," in addition to attacking the canal, would obstruct maritime travel and strangle Panama's "peace efforts."

The general also said that intelligence information "sought and secured by special elements" has served to confirm that a suicide commando, which has as one of its objectives an attack on the Panama Canal, is being trained.

Yesterday LA PRENSA asked important members of the U.S. Southern Command, which is headquartered in the canal area, for their reaction.

An officer said that he was surprised by the information, since he has found out about the existence of the "terrorist commando" through the newspaper.

There was no officer available yesterday at the Southern Command who could inform LA PRENSA of the official U.S. Army reaction to the statements by Gen Noriega. A duty officer said, however, that by today there would certainly be a reaction.

Noriega also said that there is essential intelligence information indicating that a terrorist commando is being trained in the (Latin American) region to carry out these attacks.

Noriega stated: "The essential elements that are available indicate that a terrorist commando group is being improved, that it is becoming familiar with the environment to know Latin American characteristics and to be able to hit U.S. interests."

In Panama, political observers have viewed Gen Noriega's statements as "a tactical excuse" for creating "a climate of uncertainty" in the country to justify the application of the "national security" doctrine. This could well lead the Executive Branch to eventually declare a "state of emergency."

The Constitution envisages the "state of emergency." When it is in effect fundamental guarantees are automatically suspended. This includes the right to meet and freedom of expression.

Noriega said that some strategists consider the canal "very vulnerable" because it is "one of the most coveted and covetable targets for a guerrilla commando, for modern guerrilla commandoes who use explosives in their suicide operations."

An expert in military affairs has told the free newspaper of Panama that this statement by Gen Noriega could be interpreted as a clear FDP effort to justify its increasing participation in the canal's defense. It is also an effort to justify the million-dollar budget that the Legislative Assembly approved for it year after year to the detriment of sectors such as health and education.

In his statement to LA ESTRELLA DE PANAMA -- a statement that he did not make to any of the semi-official newspapers of the Renovacion Publishing Company, Inc. -- Gen Noriega connected the possible attack on the canal installations with recent terrorist attacks at the Vienna and Rome airports, specifically on the passengers waiting in the offices of the Israeli airline, El Al.

At no time, however, did Noriega give information about the nationality or nationalities of the members of the alleged "terrorist commando" which, with an attack on the canal, wants "to finish off the climate of peace" that Panama enjoys.

TRANSFERS REPORTED WITHIN DEFENSE FORCES

PA031328 Panama City Circuito RPC Television in Spanish 2310 GMT 2 Jan 86

[Excerpt] The General Command of the National Defense Forces reports on transfers and changes within the institution which were announced today:

G-1 of General Staff	Lt Col Ricardo Garibaldo
G-2 of General Staff	Col Bernardo Barrera
G-3 of General Staff	Col Elias Castillo
G-4 of General Staff	Col Marcos Justines
G-5 of General Staff	Col Alberto Purcell
Police Corps chief	Col Leonidas Macias
Panamanian Air Force chief	Lt Col Lorenzo Purcell
Air Force base chief	Lt Col Eric Aguilera
National Naval Force chief	Capt Guillermo Wong
Naval Operations chief	Capt Jorge Correa
Economic Services	Col Angel Mina
General Jose Domingo Espinar Training Center director	Lt Col Julio Ow Young
Military Supplies	Lt Col Eugenio Corro
Inspector General	Lt Col Eros Ramiro Cal
Joint Commission	Lt Col Rogelio Alba
Combined Junta [Junta Combinada]	Lt Col Roberto Armijo

EL SALVADOR

PROPOSED 1987 ECONOMIC MEASURES CAUSING 'ALARM'

PA031426 San Salvador EL DIARIO DE HOY in Spanish 1 Jan 86 p 4

[Text] There is alarm among the Salvadoran public due to several measures announced by the Christian Democratic government for next year, as these measures will cause a significant deterioration in the population's living standards.

According to unofficial sources, these measures are:

1. A single exchange rate of 5 colones per dollar.

2. Dollar transactions outside the banking system are prohibited and considered a crime.

3. Government corporations are to be established in the United States to intercept personal money orders. These corporations will receive dollars in the United States, which will be paid in colones here in our country.

4. Price controls on the family food supply are to be carried out by the municipal governments.

5. The 5 colones per dollar exchange rate will be applied to petroleum products such as gasoline, oil, propane gas and the like, medicines, and implements for agricultural production.

6. The tariffs on public services will be increased, including electricity, water, telephone, port and airport services.

7. A control on rentals of houses, commercial establishments, and offices will be implemented.

8. There will be a control on public transportation fares -- that is, buses, taxis, and microbuses, as well as on the prices of spare parts, tires, and fuel for motor vehicles.

9. A war tax will be levied.

10. Interest rates on savings accounts will be increased from 12.5 to 15 percent.

11. A 20 percent interest rate will be applied to bank loans.

12. A sales tax will be implemented.

13. There will be a tax on inherited properties and corporations will pay road taxes.

14. Specific taxes will be imposed on specific activities.

15. Import taxes will be increased.

16. Strict control will be exercised to ensure compliance with tax payments in general.

AIR FORCE BOMBING DURING ARCHBISHOP VISIT ALLEGED

PA070247 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 7 Jan 86

[Text] Attention, Radio Venceremos now brings you a last-minute report. This morning, 6 January, the archbishop of San Salvador, Msgr Rivera y Damas, arrived to make a religious visit to the people of Guarjila, Chalatenango Department, in areas controlled by the FMLN. Over 1,000 residents welcomed the archbishop. Suddenly, Dragonfly A-37 planes bombed a nearby place and the archbishop had to seek refuge for fear that the A-37 planes were to bomb the place where he was with the people.

The archbishop was able to see for himself how the bombs were dropped in an area very close to where he was with thousands of villagers. We recall that all bombings are approved and are known by Napoleon Duarte, as he himself has stated.

VENCEREMOS ASKS FOR INFORMANTS, DATA ON TARGETS

PA062303 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 6 Jan 86

[Text] All roads lead to Radio Venceremos in El Salvador! Send us your letters using a pseudonym and send us the addresses of Armed Forces and Air Force members, collaborators, Duartists, and anyone who is guilty of a crime against the people. Collect all the information on possible targets for our guerrilla attacks. Collect information on the criminals' activities, type of vehicle, favorite places, routine, type of weapons, and send it all to the People Mailbox Radio Venceremos.

We remind you to use a pseudonym whenever you write to the People's Mailbox, Radio Venceremos; this is very important.

Watch everything closely in your neighborhood and community, and ascertain what could be the most feasible target for a guerrilla unit, what enemy forces are posed at the site, what types of weapons they have, where the enemy has placed minefields, and how many sentries stand guard.

Watch everything and mark well all the possible targets, such as communication centers, coffee mills owned by the oligarchy, in sum, any installation that could be sabotaged by our revolutionary units. Send us the exact information because the people's information is the key to our victories in the people's war. Send us your letters and report everything. Remember, that all the roads in El Salvador lead to Radio Venceremos!

SUPPORTERS LEAVE TO JOIN PEACE MARCH IN MORAZAN

PA040243 San Salvador Canal Doce Television in Spanish 1900 GMT 3 Jan 86

[Excerpt] Early today many members of the group supporting the March for Peace began their ride to join the peace marchers, who will enter El Salvador through El Amatillo in La Union Department. The supporters of the peace march rallied at 0845 local time in Bolivar Square in San Salvador, boarded several buses, and headed for Morazan Department, where they expect to join members of the march for dialogue and peace initiated in Panama.

Starting at 0600 local time today, many people of several union, student, and humanitarian organizations rallied in the square to begin their support and welcome for the March for Peace.

The marchers were attacked in Costa Rica and refused entry into Honduras. Salvadoran authorities have flatly refused to grant the marchers permission to enter the country, arguing that this would cause disorders and destabilization.

GUATEMALA

ALLEGED DISAGREEMENT BETWEEN MEJIA, CEREZO NOTED

PA061624 Guatemala City Cadena de Emisoras Unidas in Spanish 1230 GMT 4 Jan 86

[Text] There are alleged disagreements between Mejia Victores and Vinicio Cerezo. The way in which President-elect Vinicio Cerezo left the Presidential Palace yesterday, avoiding the press, makes one surmise that there are disagreements between him and General Oscar Mejia Victores, the chief of state.

The presence of General Lobos Zamora, chief of the General Staff, and certain military commanders at the Presidential Palace yesterday also allows room to believe that they discussed the appointment of the new defense minister with Cerezo.

Reporters tried to interview the president-elect because it had been said that he was going to announce his cabinet yesterday. However, Cerezo got into his car on [name indistinct] Street, accompanied by other armored vehicles [vehiculos blindados] of his retinue. The press interpreted this as a disagreement with the chief of state concerning the appointment of a defense minister, and consequently Cerezo could not make any statements regarding his new cabinet.

Meanwhile, the government gave its version of the meeting between Mejia Victores and the president-elect. According to remarks by Public Relations Secretary Ramon Zelada, at yesterday's meeting Cerezo received general information about how the military government will turn over power on 14 January.

The official spokesman added that Cerezo asked for all the details and Mejia Victores responded to all his questions. In this way, Cerezo can have an overall view of how the military government will deliver power, he said.

HONDURAS

U.S. TIES VIEWED IN CONTEXT OF WITHHELD AID LOAN

Past Cooperation Reiterated

PA040409 Tegucigalpa LA TRIBUNA in Spanish 2 Jan 86 p 5

[Editorial: "My Dear Ambassador"]

[Texe] El Salvador was experiencing very trying moments. The guerrillas had the government of that country in check. Nicaragua had just fallen. The international press was reporting extensively on what was happening in El Salvador.

There was the impression that in that country the guerrillas were innocent creatures struggling to vindicate man and the government was a ferocious violator of human rights. El Salvador had a terrible international image.

Honduras had experienced successful elections. It had elected deputies to the National Constituent Assembly and its political democracy had been further consolidated with election of the first constitutional president in many years.

That is the way out for these countries, Central American political analysts thought. And thus, an electoral process was forced on El Salvador with U.S. pressure in the midst of a civil war. This was not done to solve the Central American problem as a whole; this was the beginning of a democratization process. Costa Rica, the "Switzerland of Central America," enjoyed a good image in the world, thanks to a number of continuous elections that successfully consolidated its democracy.

But the eye of the hurricane was in Salvadoran territory. Forecasts were grim. It was believed that the guerrillas were getting stronger by the day and that the government was losing the little popular support it had.

There was a need to build a strong civilian government with popular support through an electoral process. El Salvador's fate depended heavily on that. What happened in El Salvador would also affect the rest of Central America.

In turn, all these things affected the national security interests of the colossus to the north. It was already entangled with Fidel, and Nicaragua, in the heart of the American continent, was tightening the screws of Marxism-Leninism even more.

But how could they manage to bring elections to El Salvador? Once that possibility was mentioned in that country, the international left began to move heaven and earth to discredit anything having to do with elections. And as if that were not enough, there was fear that the Salvadoran Army could not bear such a burden for long. They needed to train soldiers. But apparently, that was not in the best interests of the gringos, or they did not want to train them on their territory. Therefore, the issue involved a contribution by other Central American countries to promote democracy in neighboring countries.

That is when the CREM [Regional Military Training Center] was imposed on Honduras. With all the problems that it entails, for good or bad, Honduras gave more than its share of the contribution with this. All this for the sake of democracy in Central America. And the gringos rejoiced because this solved the problem momentarily. They had a good ally in Central America: Honduras. And Honduras also spoke on their behalf in the Contadora Group. Thus, Hondurans were good kids; they were terrific friends of the United States because they not only defended their own interests, but also defended the interests of all Central Americans and the United States.

Negroponte left and they sent us a new ambassador. Mr Ferch comes from Cuba. He was not here to witness with his own little eyes what we are now telling you. And now the ambassador is saying that no more payments from the financial assistance package will be made because Honduras "has not complied with all requisites."

Can you believe this? They say that we have not complied with requirements. As for this issue of noncompliance, the technical language is complex. Unfortunately, we know nothing about such a mess. What requirements is the friend to the north asking its ragged friend to comply with?

My Dear Ambassador: Honduras has done more than comply with the requirements. We allowed the water to reach our necks in order to comply with the requirements. The time has come for others to comply with us.

Government Responds to U.S.

PA050343 Tegucigalpa Voz de Honduras in Spanish 1145 GMT 3 Jan 86

[Station commentary]

[Excerpt] Courteously but firmly the Honduran Government has answered a diplomatic note signed by U.S. Ambassador to Honduras John Ferch, who on 20 December addressed Ubodoro Arriaga Iraheta, Honduran secretary of the presidency, and summed up what, according to the U.S. Embassy in Honduras, has occurred with the loan that should have been disbursed to Honduras in October. According to Ambassador Ferch, Honduras has not liberalized foreign trade, as the two governments had agreed to through the joint working commissions. While the Honduran Government feels that the goals in foreign trade liberalization have been fulfilled, the Reagan administration feels differently, and for this reason has disqualified the measures proposed by Honduras and is disregarding them unless they appear as a resolution of the Central Bank board of directors. Then, Washington will accept and acknowledge them.

This means that, despite Reagan's pledges. Honduras will not get any money for the economic recovery program if it does not meet the U.S. demands. In a communication dated 30 December, secretary Arriaga answered the note from the Reagan representative to Honduras by stating that Washington has not complied with the loan agreement signed in May by Presidents Reagan and Suazo Cordova, since the remaining portion of the $50 billion loan was not disbursed in October, as had been agreed upon. The Honduran Government reasserted this in its official communique released yesterday and broadcast this morning through this radio station.

Secretary Arriaga and the information office reiterate that, according to the Honduran ad hoc commission, the prerequisites and terms have been fully met. The Suazo administration wants to express very clearly that, at this time, any discussion would be fruitless and extemporaneous because only a few days are left before the coming administration is to assume office. Nevertheless, in order not to affect the next government, the secretary's message has stressed that the negotiations between the Agency for International Development and the new government can continue, even after this administration has completed its term. In the last paragraph, the answer from the Honduran Secretariat of the Presidency makes it very clear that the needs of this government's last weeks will be met through domestic resources or through the assistance of friendly governments, and the Secretariat expresses its firm determination not to discuss the matter again with Washington and its envoys.

This report has been interpreted in a number of ways. Some analysts have related it to the Honduran Government's reluctance to go on tolerating anti-Sandinist rebel groups operating from Honduras. This appeared evident when an aircraft full of supplies for the contras was returned. This had been described as humanitarian aid.

A great uproar was created because the shipment was accompanied by photographers and journalists who would have served as witnesses in the operation that would have made us appear as interventionists in the eyes of the world. For others, Washington's not disbursing the rest of the $50 million loan approved in May that should have been delivered in October is an additional pressure on Honduras -- feeling asphyxiated -- to surrender, to make a decision for the parallel exchange market, and, consequently, to let the national currency devalue.

Whether Washington imposes terms that Honduras cannot accept [10 second break in transmission] save our currency or serves as a springboard for foreign forces, we face a sad reality. Our country has been offered economic assistance tied to demands that often insult our dignity, that affect us by projecting a distorted image of the country, or that harm our sovereignty when the United States demands more than what a creditor is entitled to ask for.

'Subservience' Seen

PA070247 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 6 Jan 86

[Station commentary: "Pressure From the U.S. Government"]

[Text] According to Honduran Presidency Secretary Ubodoro Arriaga, the U.S. Government, through its embassy in Tegucigalpa, is pressuring Honduras into devaluing the lempira by making a $50 million U.S. aid final disbursement on a loan intended to assist Honduras in meeting its balance of payments conditional on devaluation of the lempira. U.S. Ambassador John Ferch himself confirmed the information in a letter he addressed to the Honduran Government, explaining that the reason for withholding the funds is that the Suazo Cordova administration has failed to meet its obligations, and that -- and this is implied in Mr Ferch's letter -- this being the case, it is inadmissible that the organizations charged with making the final disbursement be blamed for the delay in its release.

The cooling of relations between the Suazo Cordova and Reagan administrations as the former's term is about to end is unimportant. As a fellow editor recently wrote, President Suazo is of little interest to the United States at this point in time, when the new government will assume power in less than 1 month. Quite true. The United States is interested in these little countries only inasmuch as they affect U.S. policy toward Central America, and it takes our leaders as far as they are willing to go, give in, and be subservient.

The most unfortunate mistake the Suazo administration committed was to believe that subservience to the United States would be sufficient to guarantee that a steady supply of dollars would uninterruptedly flow into Honduras. This misjudgement cost Honduras not only injured national pride. The country also lost valuable opportunities to negotiate increases in financial assistance. However, the government's steadfast allegiance to the U.S. cause led the government of that country to believe that it had no reason to fret over Honduras, because this country's government was willing to defend the United States with more dedication than any U.S. national himself.

The Honduran administration could have been more independent. However, the course our government followed was charted by then military strongman General Gustavo Alvarez Martinez, who believed that it was all or nothing with respect to the United States. President Suazo fully concurred, and proceeded to compromise the little independence his government had left.

No Honduran leader must believe or say that the best way to maintain a close relationship with the Americans is to be subservient. This sour experience must stand as a lesson for the future. The United States will continue to behave as it always has, responding to its interests in the region. Every penny Washington gives or loans us will be measured against that overriding concern. It is strictly business. The Americans are practical in this respect. Pity or sentimentality will not move them.

It is a fool's dream to believe that they will run to our rescue simply because we hold elections. The Suazo administration was amiss on this. There were naive Hondurans who believed that the United States would lend unprecedented economic support to the Suazo administration because it was elected by a landslide. But the day came when they had to face a stark reality: The U.S. Government -- as the pragmatist it is -- gives only as much as it believes needs be given. That was what happened. The Americans gave this government strictly what it asked for. Moreover, we traded in all our bargaining chips too easily, and obtained very little in the process. This is why we do not know how accurate it is to believe that the financial cutback -- if that is what the withholding of the $50 million by the USAID is -- is part of a plan to pressure Honduras into devaluing its currency. We find it hard to believe that the United States is attempting to strangle Honduras by forcing it to devalue its currency.

The U.S. Government might be suspicious of the use the Suazo administration -- which has been proxy to foreign countries' interests -- will give to the funds, given that it has only a few more days left in power. In the past Honduras has been the source of much speculation in that regard. Many administrations have squandered and mishandled public monies in the final stages of their administrations. It is possible, then, that the Americans prefer to hand the funds over to the new administration, which during the next 4 years will have to answer to its powerful ally. It seems that the Americans prefer to give the funds to the Azcona administration and that they will not hand over funds without tangible and substantial concessions.

Alliances must not deceive us. We must not believe that we can find better allies in other parts of the world. Allies always seek satisfaction for their own political or economic interests. We have maintained unshakable ties of friendship with the United States. However, the United States or any other country -- notwithstanding how friendly it may be -- must defend its own interests. It will not make concessions or lend anything without obtaining a benefit from that action. We must understand this well in order to plan our future. Any administration that yields national resources without negotiating or intelligently looking after the nation's interests will repeat the same mistake of falling into a policy of subservience, which has served us so little during Suazo Cordova's administration. Its mistake must be a mirror into which the new president, Mr Azcona, must gaze, particularly now, when he is beginning to receive invitations to go to Washington to begin building a relationship with the Americans.

CATHOLIC CHURCH DENOUNCES GOVERNMENT PERSECUTION

PA062205 Panama City ACAN in Spanish 1925 GMT 6 Jan 86

[By Francisco Javier Mejia]

[Excerpt] Tegucigalpa, 6 Jan (ACAN-EFE) -- The Catholic Church of Honduras today denounced the persecution and torture of some of its members by the government's security corps in the central region of the country.

According to Father Angel Castro, a group of 12 members of the Honduran Army's "Cobras" Specialized Squadron for anti-insurgency struggle arrested Father Eduardo Mendez last Saturday. Mendez, who had participated in a spiritual retreat accompanied by a group of children and their parents, was walking through the place known as Puente Bacadillas when he was arrested. The soldiers handcuffed the priest and forced him to lie on the floor of a vehicle where Pedro Marquez, president of the community council at the village of Cerro Azul, also laid handcuffed, it was reported by Father Castro. Likewise, police arrested former seminarian Fidel Sevilla, who was arrested and tortured a year ago and was accused of participating in subversive activities.

The Episcopal Conference of Honduras has released a document stating its position in this concern and protesting "the abuse against Father Mendez and his companions." Comayagua Bishop Monsignor Gerardo Scarpone, whose jurisdiction includes Father Mendez' parish, was in the United States at the time of the arrest but has indicated that he will investigate the matter and issue a statement.

NICARAGUA

FOREIGN MINISTRY PROTESTS HONDURAN BORDER ATTACK

PA061322 Managua Radio Sandino in Spanish 1245 GMT 6 Jan 86

[Protest Note issued by the Foreign Ministry on 5 January 1986 -- read by announcer]

[Text] To his Excellency Edgardo Paz Barnica, secretary of state for foreign affairs, Tegucigalpa, Honduras

Mr. Secretary: I am addressing you to denounce a serious incident that I am now reporting to you:

On 4 January, Honduran troops attacked a patrol of border guardsmen of the Sandinist People's Army who were at Paso El Carao, 4 km south of Santo Tomas El Nance in Chinandega Department. In presenting its most formal and vigorous protest over this new attack, which joins those of 28 and 30 December, the Nicaraguan Government again emphasized that, in line with international commitments freely made, the Honduran Government must abstain from carrying out acts of aggression against other states. In addition to increasing the tense regional situation, this type of action nurtures interests that are foreign to our countries through a path of provocations of border conflicts which, viewed as a pretext, are used by the United States to increase its aggression against Nicaragua.

I take this opportunity to express to Your Excellency the testimony of my consideration. [Signed] Miguel D'Escoto Brockman, foreign minister

ORTEGA HOLDS NEWS CONFERENCE 6 JANUARY

PA060240 Managua Domestic Service in Spanish 0014 GMT 6 Jan 86

[News conference by President Daniel Ortega at the Augusto C Sandino Airport -- live or recorded]

[Text] [Ortega] We take this opportunity to discuss some topics of national and international interest.

All of our predictions about the U.S. Government policy against Nicaragua have been confirmed at the beginning of this year, 1986. Before the year 1985 came to an end, we announced the Nicaraguan Government's views regarding political, military, and defense matters and, particularly, regarding the U.S. Government actions planned for this year, 1986. We have pointed out that this year is dangerous because we are consolidating our revolutionary process and because the U.S. Government will do its utmost to try to destroy our revolution.

This year began with a metting that attracted the attention of Latin America, a meeting between Mexican and U.S. Presidents Miguel de la Madrid and Ronald Reagan. Two problems of interest for Latin America were discussed during this meeting, namely, the Central American problem and the economic and financial problem, which has to do with all of Latin America. Regarding the Central American problem, De la Madrid clearly expressed the Central American peoples' right to self-determination, independence, and sovereignty, his rejection of policies of force, and his support for a negotiated political solution.

In his speech, President Reagan did not mention Central America at all. In keeping with his stance, the Mexican president represents the Central American stance, which is supported internationally in all the world and at the United Nations. That is to say, the Central American problems must have a political and negotiated solution and must not be settled through force.

President Reagan answered this in his weekly message delivered shortly afterwards. His answer clashes directly with Latin America's aspirations and President De la Madrid's correct, mature, calm, and firm stance expressed during his meeting with President Reagan. Here again we have the U.S. President advocating the alleged right of the United States to keep and increase its policy of aggression against Nicaragua. In other words, we have started this year, 1986, with a warmongering, aggressive speech that represents an apology for state terrorism by the U.S. President against Nicaragua.

Other U.S. officials have mentioned the options still left for the United States, such as continuing to support the mercenaries, intervening directly with its troops in Nicaragua, or surrender. Really, this speech is dangerous because the U.S. Government is trying to condition the world and the U.S. people into accepting the possibility of involving U.S. troops in a direct action against Nicaragua. The U.S. Government has said it will never surrender. (Neither) the Congress nor the President would agree to a surrender. And what do they understand surrender to be? The U.S. Government feels it would be humiliating for the United States to accept a peaceful solution.

In truth, the U.S. Government does not want to surrender to peace. I feel no one would consider the U.S. Government weak if it surrendered to peace and accepted a peaceful solution in Central America. Quite the contrary. Such an acceptance would give prestige and credibility to the U.S. Government, should it surrender to peace and cease its terrorist and aggressive policy against Nicaragua.

Unfortunately, the U.S. President and his officials have continued to advocate this policy, we have started this year, 1986, with military exercises in Honduras involving thousands of U.S. soldiers. These exercises have been initiated at the beginning of this year to support the U.S. Government plans against Nicaragua. These exercises aim at supporting more directly the activities of mercenaries concentrated in Honduran territory trying to enter our country.

With the participation of more than 4,000 U.S. soldiers in Honduran territory, more than 80,000 U.S. soldiers have passed through Honduran territory to accustom themselves to the terrain and to prepare to be launched later by U.S. policy against our country.

Our people and combatants have confirmed the defeats the mercenaries have suffered. During the first days of January to date, they have tried to penetrate our territory through the Wamblan and Boca de Pilas areas, near the border with Honduras. To date, the mercenaries have suffered. During the first days of January to date, they have tried to penetrate our territory through the Wamblan and Boca de Pilas areas, near the border with Honduras. To date, the mercenaries have suffered 45 casualties.

In addition to these actions, we must also deal with the joint Honduras-U.S. military exercises and the concentration of forces represented by U.S. and Honduran tactical units, as well as mercenary forces, that are preparing through exercises, including air operations, to launch a larger-scale offensive against our country. Also, FDN [Nicaraguan Democratic Force] mercenary forces are concentrated in Liberia in Costa Rican territory.

As a result of this, we should not be surprised if they tried a large-scale operation involving airborne units, aircraft, etc. in order to gain the attention of the U.S. Congress so it can invest in what would amount to military aid for the mercenaries. Of course, U.S. Congressional approval of aid for the mercenaries would pave the way for the U.S. Government to become more and more involved directly in an action against Nicaragua. This would make a direct U.S. action against our country even more likely.

Also, a U.S. frigate was detected in the Gulf of Fonseca at 1000 local time on 3 January. This is to say that Nicaragua charges that this year, 1986, has begun with the U.S. President's threats, preparations for war, and speeches against the Nicaraguan people's integrity and sovereignty. Therefore, we Nicaraguans must remain alert, accelerate our preparations for defense, and arm ourselves with all the necessary weapons to better face all these military escalations the United States has planned against our country. The United States is even creating a war climate on an international level, threateningly deploying its war frigates against other peoples, such as Libya. The United States has threatened to attack Libya and has claimed the right to attack that nation. Similarly, the United States claims the right to attack Nicaragua and any other country.

We are facing a dangerous escalation on the part of the United States, dangerous actions on the part of the United States that in no way help the peace efforts the U.S. leaders should be making. Neither do they contribute to the efforts of the Geneva talks. These actions by the United States on the international level are a risky reply, a terrorist reply. We do not believe that to want to answer terrorism with terrorism is the most appropriate thing to do.

The United States is becoming known as an international terrorist by its actions. State terrorism is being displayed and defended by the U.S. Government, a state terrorism that has been rejected by international law and by the International Court of Justice, in which we await a ruling that will most surely confirm the U.S. Government's responsibility in its illegal and antijuridical stance, which violates international law, against Nicaragua.

Because of all this, we wish once again to denounce all these actions, which confirm our appreciations revealed at the end of the year, 1985, about the tense future military situation we will be facing in 1986.

We exhort President Reagan to act seriously and maturely; to yield to the peace aspirations of Latin America, the Nicaraguan people, and the U.S. people themselves; to accept a just political solution; and to lay down his aggressive terrorist attitude. He can be sure that Latin America and the U.S. people, themselves, will acknowledge their appreciation. Such a gesture is no cause for humiliation on the part of the United States.

[Unidentified reporter] Commander Ortega, I would like to ask about the note sent by the Colombian Government and Nicaragua's reply, and the status of the present relations between Nicaragua and Colombia.

[Ortega] First of all, we must remember that the U.S. Government is determined to destroy the pacifying efforts of the Contadora Group and the unity of Latin America, to make it vulnerable to the U.S. aggressive policy in the political, military, and economic spheres. It is a known fact that the U.S. Government launched a campaign at the time of the assault on the Justice Palace in which it tried to involve the Nicaraguan Government in that action. Some Colombian press sectors also lent themselves to help this campaign, to the extent of claiming that members of the FSLN had directly participated in the attack on the palace.

The Colombian authorities and military commands -- including the Colombian foreign minister -- emphatically denied such claims and initiated an investigation. In that respect, we recently received a note from the Colombian Government mentioning some issues that concern that government as they refer to arms found at the time of the assault of the palace, some of which arrived in Nicaragua for the FSLN during the fighting against Somoza, and others that belonged to the Somoza National Guard. The Colombian Government also voiced concern over the presence of our interior minister, Commander Tomas Borge, at a mass offered here in a Managua parish, supposedly to pay tribute to the fallen members of the M-19 [19 April Movement] during the assault on the palace.

We have fully clarified the matter of the arms. We are not responsible at all for them. We have explained that the FSLN actually received approximately one-third of the weapons sent, as the rest never reached us, having been diverted to the black market through arms smuggling activities. We also explained that the FSLN did not seize all the weapons belonging to the Somoza National Guard, as thousands of guards fled to Honduras and Costa Rica with their weapons. Therefore, we cannot be held responsible for those weapons, which were later sold by those guards in Honduras and Costa Rica when they had not yet received the U.S. economic support to organize against our country and did not have any prospects for work.

As to the presence of Commander Borge at the mass, we also explained that he was representing the Nicaraguan Government, as the mass was offered dedicated to the memory of the communications minister, Enrique Schmidt, on the first anniversary of his death at the hands of the mercenary forces sent to us by the U.S. Government.

Having made these explanations, we have considered the issue settled. Therefore, there is no longer any reason for concern. We feel this should not serve U.S. policy as an instrument to confront Nicaragua and Colombia. We feel that there is no cause for a confrontation and that the relations between Colombia and Nicaragua will continue to be normal. At the same time, we recognize the role being played by Colombia in the Contadora Group on behalf of peace, and we see no reason for such relations to be affected.

[Reporter] I want to ask you about another topic. Some days ago the government closed Radio Catolica for violating the communications media law. We would like to know if the station will be closed permanently, or will it be allowed to reopen?

[Ortega] That is in the hands of the Communications Media Directorate, which is the organization in charge of attending to these matters. Thus, it will be up to that entity to explain the type of sanctions applicable in this case.

[Reporter] The Episcopal Conference sent a note directly to you asking for an explanation.

[Ortega] I have not received any note yet. I heard the information in the press, but I have not yet received the letter.

[Reporter] Do you believe relations between the government and the church will deteriorate?

[Ortega] I believe that here there is no problem between the church and the government. The Nicaraguan church is respected by the government. The Nicaraguan church is made up of the Christian people of Nicaragua. The priests and religious people practice their faith freely in this country. There are political problems with some elements; therefore, it is logical that there should be some political differences. We want the church -- particularly some Catholic hierarchs who have political positions opposed to the revolution -- to set aside their political views and work toward the unity of the Nicaraguan family. There would be no problems with the government if they in fact behave as pastors of the entire Catholic population, and not only of a part of that population.

[Reporter] In the Mexico-U.S. meeting it has been said that Mexico is happy about the steps taken to resume dialogue between the United States and the Soviet Union, and that world detente could (?positively) influence the situation in several areas of the world. What do you think is the relationship between this and the Central American problem?

[Ortega] I think that all of these U.S. Government actions tend to affect the very important meeting of Gorbachev and Mr Reagan in Geneva. All these U.S. deployments and demonstrations of force in the world and the U.S. Government's reiterated purpose of continuing its terrorist policy against Nicaragua really endanger the progress attained in Geneva.

[(?Juanita Vargas) from BARRICADA] Commander, could you tells us about the arrival tomorrow of a Honduran delegation that will meet with the Nicaraguan Government?

[Ortega] We have received a very friendly invitation from the Honduran president-elect, Mr Azcona. He has also advised us that a delegation is coming tomorrow. We will welcome this delegation headed by the Honduran vice president [as heard] and formed by nine members of Azcona's party. This delegation will also visit other Central American countries. We will welcome them tomorrow. We feel this is a good opportunity to resume a dialogue between Honduras and Nicaragua -- a constructive, friendly dialogue for peace. We harbor this hope.

VICE PRESIDENT DENIES ARMS SUPPLIED TO M-19

FL062358 Mexico City NOTIMEX in Spanish 2350 GMT 5 Jan 86

[Excerpt] Guatemala City, 5 Jan (NOTIMEX) -- In reference to the accusation that the Nicaraguan Government provides arms to the M-19 group that attacked the Colombian Palace of Justice in November, Nicaraguan Vice President Serio Ramirez Mercado said here today that the Washington government frequently speaks for others.

The Washington government usually speaks in the name of some Latin American governments. The arms issue was not brought up by the Colombian Government until later.

The Nicaraguan vice president reiterated that Nicaragua has not had absolute control of the arms that could exist in Nicaraguan territory, especially the ones held by Anastasio Somoza's National Guard, whose members escaped with their equipment to several Central American countries after the triumph of the Sandinist revolution.

Ramirez Mercado affirmed that relations between his country and Colombia are normal and added that the ministries of the two countries cleared up this situation through a communique.

OPPOSITION GROUPS AGREE TO HOLD DIALOGUE

PA061604 Panama City LA PRENSA (NICARAGUA HOY supplement) in Spanish 3 Jan 86 p 4 C

[Press statement issued by Alfredo Cesar, Jose Davila, and Bayardo Lopez, members of the Executive Committee of the Nicaraguan Southern Opposition Bloc, BOS, at BOS headquarters in San Jose, Costa Rica -- date not given]

[Text] 1. Following an informal process of rapprochement among BOS and Nicaraguan Opposition Unity (UNO) leaders, it was agreed to initiate talks through two work commissions composed of three representatives from each organization. BOS, with the spirit of unity and patriotism that has always guided its political line, views with optimism this new phase of our struggle, during which we expect to secure the following achievements:

A. Integration of the unity commission mentioned in the dialogue proposal made by BOS this past August.

B. The signing of a national democratic agreement that would establish solid bases for the future Nicaraguan democracy, eliminating any possibility that the current totalitarian regime could be replaced by a dictatorship similar to the Somozist one.

In spite of the fact that the FSLN irresponsibly and systematically boycotted all the dialogue efforts aimed at securing a peaceful solution to the Nicaraguan conflict, BOS is insisting on its effort to search for a political solution to the problem of Nicaragua and believes that it would be convenient if all the Nicaraguan opposition were to try to resolve the conflict in a united way.

The BOS commission is composed of the director and deputy director of the BOS Political Committee, Carlos Hurtado and Mario Aviles; and by the director of the BOS International Relations Committee, Dr Francisco Fiallos.

The basis for this process must rest on the expectations of the Nicaraguan people, whom we will keep informed about whatever advance is made and, in order to prevent an erroneous interpretation of these advances, we will provide correct informative follow-up reports.

The first BOS Congress will take place during the second half of February. At that congress we will discuss the BOS statutes and the democratic program that will outline our idea of what the Nicaragua of the future should be.

For this purpose, the organizations that compose BOS will hold internal preparatory meetings throughout the month of January 1986.

UNION LEADER, INDUSTRIALIST ON RECENT SALARY HIKE

PA042255 Managua Radio Noticias in Spanish 1200 GMT 3 Jan 86

[Excerpts] Jose Espinosa, leader of the Confederation of Trade Union Unity, has given his views to "The Awakening" [name of newscast] on the salary increase that went into effect his month.

The important thing now is to control staple prices, said the leader of this organization, which is usually critical of the government.

Here are Espinosa's views:

[Begin Espinosa recording] Actually, placing more money in the hands of the people, or the working class, entails an added capacity to increase demand, and supply remains unchanged in Nicaragua. As a matter of fact, supply is insufficient in our country.

Logically, this guarantees that the prices of the few products available will increase. The government is supposedly trying to solve the current economic situation through a salary increase whereas, in our opinion, it should try to solve it through price controls or through mechanisms to curb or stop the inflation. In effect, we think that the solution does not lie in increased salaries but in price controls, because in many cases they are set by speculators, hoarders, and others like them. They are the ones who make prices skyrocket.

We know from experience that many of the so-called safe channels and the like have actually increased prices or given rise to new mechanisms or new forms of black markets or illegal markets. Definitely, the government creates many mechanisms, but it fails to create at the same time the means required to control the very mechanisms it creates. [end recording]

Jaime Bengochea, president of the Nicaraguan Chamber of Industries, has asserted that the salary increases must go hand-in-hand with an increase in export products in order for this measure to be beneficial to our country's economy.

[Begin Bengochea recording] An effort is being made to adjust salaries to inflation. At first glance, the measure will apparently resolve the problem, but this is actually a stopgap, temporary measure aimed at curing the effects, but not the causes, of the country's economic situation.

The economic problem will not be resolved with these measures on salaries as long as the national economy continues to produce fewer and fewer goods. [end recording]

FDN'S CALERO REPORTEDLY ANNOUNCES NEW OFFENSIVE

PA052253 Managua Radio Sandino in Spanish 1200 GMT 4 Jan 86

[Text] While the Mexicali meeting was being held yesterday, the CIA mercenaries announced a new aggression escalation aimed mainly at the highways as well as blows against the transportation system in Nicaragua in the next 4 or 6 weeks.

During an interview from Miami with the U.S. television network CNN, Adolfo Calero, leader of the so-called Nicaraguan Democratic Force [FDN], said the FDN will execute this offensive deep inside the country where, he said, 8,000 CIA mercenaries currently fight. Political observers, however, estimate that the contras in Nicaraguan territroy number less than 3,000, while 10,000 others are stationed in sanctuaries such as Honduras and Costa Rica. According to the U.S. television network, the contras have demanded assistance from the Reagan administration for their defense. This assistance would entail more surface-to-air missiles and antiaircraft batteries that would allegedly allow them to defend permanent bases in Nicaraguan territory.

It is very much worthwile mentioning that Calero's announcement in Miami has coincided with the summit meeting of the U.S. and Mexican presidents during which Reagan clearly asked for support from Miguel de la Madrid for the aggressive U.S. policy against the Nicaraguan people.

LE FIGARO INTERVIEWS CONTRAS' ARTURO CRUZ

PM271333 Paris LE FIGARO in French 20 Dec 85 p 4

[Interview with Arturo Cruz, exiled Nicaraguan oppositionist and former Nicaraguan Democratic Coordinating Board member, by Patrick Wajsman in Washington -- date not given]

[Text] Wajsman: Arturo Cruz, you are at the forefront of the anti-Sandinist struggle. Why has Sandinism disappointed you so much?

Cruz: Because people were deceived about what they were getting. There was fraud. The Sandinist had promised political pluralism, a truly mixed economy, respect for human rights, and real nonalignment in foreign policy. Unfortunately all these pious promises were systematically broken.

Wajsman: Would you go so far as to say, as some of your compatriots have, that Nicaragua under the Marxists is worse than in the time of Somoza's terrible dictatorship?

Cruz: The two tyrannies -- that of Somoza in the past and that of the Sandinistas today -- are equally horrible. But it is true that the economic situation has never been so disastrous and that the Sandinist repression is sometimes even more cruel than the Somozist repression.

Wajsman: What about foreign policy?

Cruz: In this sphere too, as I told you, all promises have been broken. When I was a member of the Managua government, I was able to see at first hand the extent to which the Sandinists had handed the country over to the communist bloc. The Cuban ambassador had become virtually the most influential figure in Nicaraguan political life -- as influential as the U.S. representative may have been in the twenties, and that is saying something! Moreover the Cuban, East German, Bulgarian, and other "advisers" have infiltrated the Army and the state security services.

Wajsman: What you say, Arturo Cruz, is particularly enlightening since the Castroist influence in Nicaragua is constantly growing. We now even know that the Soviet helicopters supplied to Managua are piloted by Cubans....

Cruz: That is ture. Indeed for the first time the Cubans are fighting directly not in Africa (in Ethiopia and Angola) but on the Latin American continent. On the United States' doorstep.

Wajsman: When people in Europe say that the Sandinists dream of "exporting their revolution" on behalf of the Soviets and Cubans, the left-wing intellectuals immediately start to laugh. What do you think of that?

Cruz: It is absolutely true: The Sandinists are trying to destablize the whole of Central America. Moreover they say this openly in all their slogans: "If we triumph in Nicaragua, we will triumph in El Salvador, then in Costa Rica, and then Honduras will follow." They also proved this by helping the Salvadoran guerrillas to launch their great offensive in January 1981 and by housing the headquarters of these guerrillas in Managua.

Wajsman: Do you think Mexico is included in this destabilization strategy?

Cruz: Of course. It is the final "domino." It is the last victim; the one which should fall like an overripe fruit. I think the Mexican Government is wrong to show so much "understanding" toward the Nicaraguan and Cuban regimes. This is a bad investment from which the Mexicans will not only not reap any benefit but for which they may even pay a high price. But I will go even further, at the risk of surprising you: I think that if the tide of revolution is not halted in Central America there will eventually be urban guerrillas even in the southwest United States!

The Keys to Victory

Wajsman: What do you think of the idea, put forward by the French Socialists, that the Sandinists should be given economic and political aid to give them a chance of freeing themselves from the Soviet grasp?

Cruz: On this point the French Socialists and those who think like them are completely wrong. It is ridiculous to give the Nicaraguan leaders a "blank check." I would like to remind you that under Carter the United States was the Sandinist Revolution's main backer in the form of multilateral and bilateral aid. If I am not mistaken, that did not prevent these Sandinists from indulging in summary anti-Americanism and constantly repeating: "We are fighting against the Yankees, mankind's enemies.

I much prefer the stance of warning the Sandinists that they will only be given Western aid if they first democratize their regime.

Wajsman: Am I to understand that you find the French Socialists naive?

Cruz: I just think the French Government should devote most of its moral influence to persuading the Sandinists that they will not be entitled to any sympathy unless their system is liberalized, de-Cubanized, and de-Sovietized. The trouble is that the Europeans refuse to look at the origin of the Nicaraguan crisis. However, contrary to what they seem to think, it is not American interventionism that pushed the Sandinists into the arms of the USSR and Cuba; it is instead the Sandinists' harmful policy and their allegiance to the communist bloc that prompted the United States to support the "contras." Let us not confuse cause and effect!

Wajsman: Do you honestly think the "contras" could eventually win?

Cruz: I am convinced of it. They already have more men than Somoza's National Guard had! And many peasants come to swell their ranks every day. I must add that the "contras" have demonstrated their capabilities by striking at Sandinist targets throughout Nicaraguan territory. But of course Washington must be able to supply us with arms instead of merely with humanitarian aid, as is the case at present. I therefore hope that Congress will authorize the executive to supply us with these arms because for us guns are merely a tool to pave the way for a political solution. By this I mean a solution based on free and therefore monitored elections.

You see, the conclusion I draw from these years of communist tyranny is that only a democratic and centrist plan, like that of Napoleon Duarte in El Salvador, will make it possible to restore Nicaragua's taste for freedom.

Wajsman: One last question. Just suppose that, despite their courage, the "contras" do not succeed in defeating the Sandinists. Would you then agree to the United States intervening militarily in Nicaragua as it did in Grenada?

Cruz: I absolutely refuse to envisage this hypothesis and I hope it will not happen. It is up to the Nicaraguans themselves to liberate themselves. But my greatest criticism of the Sandinists is precisely that they have exposed the country to such a danger by their excesses. If there was an American military intervention one day, the Sandinists would bear full responsibility for it.

FDN CLAIMS CAPACITY TO ARM 35,000 COMBATANTS

PA021924 Panama City ACAN in Spanish 1654 GMT 2 Jan 86

[By Armando Cerrato]

[Excerpts] Tegucigalpa, 2 Jan (ACAN-EFE) -- The anti-Sandinist Nicaraguan Democratic Force [FDN] reported here today that it has the capacity to provide arms to 35,000 combatants to begin the true "liberation of Nicaragua."

The clandestine radio station "15 September," official mouthpiece of the FDN, said: "The task of liberation could possibly begin in the most populated urban areas of the Nicaraguan Pacific coast."

The FDN affirmed that it currently has 18,000 combatants in the Nicaraguan Departments of Jinotega, Zelaya, Nueva Segovia, Chontales, Madriz, Matagalpa, Rio San Juan, Esteli, Chinandega, Leon and Boaco.

The radio station said: "In the month of October 1985, the FDN presence in Rio San Juan Department completed the rebels' central military axis, which runs from north to south and covers more than 76 percent of Nicaraguan territory."

The "15 September" radio station also appealed to all "Nicaraguan brothers and members of the mass organizations to listen to the call of the fatherland and join the FDN in order to liberate Nicaragua from the Sandino-communist tyranny."

The FDN also stated that another of its most important accomplishments in 1985 was the "creation of the rebel Red Cross and of the military tribunals to judge all crimes committed by members of the commando groups that violate the human rights of civilians and military members of the anti-Sandinist forces."

REAGAN-DE LA MADRID MEXICALI MEETING REPORTED

PA060343 Havana International Service in Spanish 1600 GMT 4 Jan 86

[Text] Mexican President Miguel de la Madrid has reiterated that his country will persist without hesitation in efforts to find an overall solution to the Central American conflict that respects the legitimate interests of all the region's countries and reaffirms the principles of the peoples' self-determination, nonintervention, and the peaceful resolution of controversies. De la Madrid made these statements at a luncheon in honor of U.S. President Ronald Reagan, with whom he met for 4 hours in the border town of Mexicali. The Mexican head of state warned that a war in Central America would entail grave risks for the political and economic stability of most of the continent and high costs for inter-American relations.

De la Madrid exhorted the United States to offer its cooperation for Latin America to overcome its present economic crisis, as this would strengthen world commerce, enhance international finance, and raise employment levels. De la Madrid emphasized that Mexico was pleased at the resumption of dialogue between the United States and the Soviet Union and hopes that the continuation of these talks will lead to detente and disarmament, so that the resources allocated for armament will instead be invested in the world's economic and social progress.

Reagan, in his reply, made no reference to Central America and concentrated on praising U.S.-Mexican relations which, as De la Madrid had already stated, had positive aspects but also limitations and defects.

According to reports, the talks concentrated fundamentally on bilateral ties, especially economic ties, although the Central American situation was also dealt with.

GDR HIGHER EDUCATION MINISTER, DELEGATION VISIT

Tour Santiago

FL061358 Havana Tele-Rebelde Network in Spanish 1200 GMT 6 Jan 86

[Text] A delegation from the Ministry for University and Technical School Affairs of the GDR has visited Santiago de Cuba. The delegation was headed by Dr Hans-Joachim Boehme, university and technical school affairs minister and member of the Central Committee of the Socialist Unity Party of Germany. The visitors were accompanied by Fernando Vecino Alegret, Cuban minister of higher education. In the cradle of the revolution they were received by Carlos Sarabia, member of the party's provincial bureau, Manuel Blanco, rector of Oriente University, and other party and educational leaders.

In Santiago de Cuba the German delegation visited the Granjita Siboney Museum, the 26 July Museum, and the Prehistoric Museum and laid a floral wreath at Jose Marti's grave. This delegation was invited to Cuba to sign a protocol on cooperation between the ministries of higher education of the two countries for the period 1986-90.

Discuss Education, Computers

FL070232 Havana Television Service in Spanish 0100 GMT 7 Jan 86

[Text] Dr Hans-Joachim Boehme, Socialist Unity Party of Germany Central Committee member and university and technical school affairs minister, met this afternoon with doctoral candidate Fernando Vecino Alegret, Cuban higher education mimister. During the meeting the Cuban minister gave a brief report on the general characteristics of higher education in Cuba and the plans for future years. Vecino Alegret explained that during the last 5 years there has been an increase in workers' courses. He also referred to the importance the ministry places on research and practical application of the results as well as the introduction of computer technology.

In reference to computer technology, Vecino Alegret reported that in 1990 the ministry will have 3,000 microcomputer terminals in various educational centers in Cuba.

CUBAN-HUNGARIAN COOPERATION MEETING BEGINS

FL061922 Havana Television Service in Spanish 1800 GMT 6 Jan 86

[Text] The 14th meeting of the joint Cuban-Hungarian Intergovernmental Commission for Economic, Scientific, and Technical Cooperation has begun meeting in the Sierra Maestra Hotel of this capital. The vice presidents of the Councils of Ministers of Cuba and the Hungarian People's Republic, Jose R. Fernandez and Josef Marjai, respectively, are presiding over this round of conversations.

The coordination of bilateral plans for the present 5-year period and the determination of basic products that Cuba and Hungary will trade during the 5-year period 1986-1990 are among the principal subjects to be discussed at the meeting. In addition, the prospects for assembling Icarus buses and articulated buses in Cuba and common labor in education, radio, television, and communications, areas in which Hungary is collaborating with Cuba, will be discussed.

ABRAHANTES SPEAKS ON PNR 27TH ANNIVERSARY

FL061328 Havana Tele-Rebelde Network in Spanish 1200 GMT 6 Jan 86

[Text] The ceremony commemorating the 27th anniversary of the founding of the National Revolutionary Police [PNR] was held in the Karl Marx Theater and was presided over by Jose Ramon Machado Ventura, Politburo member, and other party, state, and mass organization leaders. In his closing speech, Division General Jose Abrahantes Fernandez, Central Committee member and minister of the interior, said the PNR must work consciously in two directions: confronting crime and social transgressions and providing services to all the people. The PNR must also have the objectives of being respected, beloved, and admired by the people and feared by criminal and antisocial elements, he said.

Abrahantes said that the philosophy of the revolution is to prevent crime, antisocial conduct, and violations of the public order. He said our position is to prevent in order not to repress, and never to repress for the sake of repressing. He also stressed the fact that the police are not alone in confronting crime and other social problems because, thanks to the revolutionary conscience of the citizenry, the cooperation of the people and the mass organizations is always assured.

'OUR AMERICA' QUESTIONS U.S. AIMS IN PUERTO RICO

PA041516 Havana International Service in Spanish 2310 GMT 1 Jan 86

["Our America" commentary]

[Text] Imagine that we have a navy and that Central Park in Manhattan is our practice target. This is how a Puerto Rican political leader described the feelings of 800 people who live on the small island of Culebra near the Puerto Rican coast. The U.S. Navy has been using a third of the island for artillery practice. As a result, grazing lands have been rendered useless and explosives have destroyed the lobster traps and fishing nets. The island residents have protested. They were imprisoned and later evicted on orders of the Navy itself. The Culebra mayor sent the following message to Wasington: You have mined and shelled out marine wealth and our fishing areas. You have attacked our birds and their nests with napalm. Human and computer mistakes have directed your missiles against our ports and our private real estate, endangering our lives. The frequency and type of U.S. Navy exercises have creaetd a situation far beyond the limits of human tolerance.

In the 1970's, the naval high command reduced the number of its exercises in Culebra, but the Navy still operates in the area. This is the result of colonialism ever since the United States seized Puerto Rico in 1898 during its war with Spain. At that time Massachussetts Senator Henry Carblood stated: The island of Puerto Rico became a U.S. Army and Navy target right from the moment the war began. In 1917, Congressman Cooper from Wisconsin pointed out: We will never give up Puerto Rico because now that we have completed the Panama Canal, Puerto Rico has become very important to the security of the canal and our nation. The canal helps turn the Gulf of Mexico into a U.S. lake.

During World War II, the United States spent millions of dollars in the construction of the huge Roosevelt Road naval base and the Ramsey airbase Puerto Rico thus became one of the most important military areas for the United States in the Western hemisphere. The role it would play was clearly defined after the triumph of the Cuban revolution in 1959. It was to stop the national liberation movements in the region. The U.S. Armed Forces tested their counterinsurgency troops in the Puerto Rican forests, mountains, and waterways, carrying out a general exercise for a possible invasion against Central American and Caribbean countries. In 1965, 25,000 U.S. soldiers concentrated in Puerto Rico were sent to the Dominican Republic to depose its popular government. More recently, Puerto Rico was forced to participate in the U.S. invasion of Grenada.

Jose Lopez, professor at Northern Illionis State University, said: A mock invasion against Cuba and Grenada occurred in 1981. We know what happened in Grenada and the U.S. plans for El Salvador and Central America at large. Puerto Rico really is a very important factor in the U.S. military plans. Thirteen percent of our tillable land is under U.S. control for military purposes. At present, there are 11 military bases in Puerto Rico, as well as some of the most sophisticated communications systems. For example, the Salinas base is a U.S. center for communications with the Caribbean.

Atomic bombs and other nuclear weapons are stored in Puerto Rico. Considering the results of the general rehearsals that have taken place on that island -- the Grenada invasion and deterioration of the Central American situation for example -- the presence of that nuclear arsenal is dangerous for peace in the region, and for the Puerto Rican people.

COMMENTARY NOTES COUP RUMORS IN EL SALVADOR

PA061951 Havana International Service in Spanish 2310 GMT 3 Jan 86

["Our America" commentary]

[Text] New rumors about a coup d'etat again circulated in El Salvador at the end of 1985, once again raising questions about the trust of the military in the Christian Democratic government of Jose Napoleon Duarte. The rumors were actually the result of friction recently apparent between the military High Command and the civilian regime, which has completed 1 and 1/2 years in power. Spurious letters were sent the latter part of December to prominent Salvadoran military leaders, exhorting them to promote a coup and create a further deterioration of the political situation in the country. Duarte himself admitted that rightist sectors within the Armed Forces are trying to overthrow his government and described the coup attempts as siren songs.

Likewise, Colonel Sigifredo Ochoa, commander of the 4th Infantry Brigade headquartered at El Paraiso, who is one of the most influential Army officers identified with the so-called hardline sectors of the institution, confirmed that he received a copy of the letter but did not attach any importance to it. Previously, Ochoa had expressed displeasure to the press about some aspects of the regime's internal policies, citing, among other things, the way the war is being conducted and its handling of the economy. It should be recalled that Ochoa rebelled some 2 years ago against the Armed Forces High Command because he disagreed with the conduct of the war against the people. He felt that air raids and shelling in the rural areas should be increased.

The Salvadoran military, which has directly or indirectly ruled the country without interruption since 1932, staged a coup in October 1979. Several months later it teamed up with the Christian Democratic Party, with support from the United States, in a process that culminated with Duarte's victory in the elections of May 1984, in which abstension was close to 50 percent. The Salvadoran Army's hegemonic stance and its violent incursion into the country's political history are clearly visible. Even though the most recent coup rumors have died down recently, analysts in the area believe that a coup is still likely.

Besides the greed for power of the Army's upper echelon, another leading factor in the crisis of the government is the FMLN's political and military activity. This guerrilla organization made important qualitative steps forward during 1985 which led it to extend the armed struggle to 12 of El Salvador's 14 departments. The Army sustained substantial casualties, and the regime's war economy went bankrupt as a result of the guerrilla actions. In addition, they have contributed to the [word indistinct] of the interests of the ruling class, the regime's international discreditation, and the stagnation of the country's leading production sectors.

Obviously, all of these elements have an impact on the distrust between the Salvadoran military and politicians and are an ingredient in the frequent struggle for power. This demonstrates the instability of the regime and the overall disintegration process it is undergoing.

BARBADOS

HUMAN RIGHTS AMENDMENT TO CARICOM TREATY URGED

FL062102 Bridgetown CANA in English 2025 GMT 4 Jan 86

[Text] Bridgetown, Barbados, Jan 4, CANA -- General Secretary of the Caribbean Conference of Churches (CCC) Rev Allan Kirton and the Executive Director of the Caribbean Association of Industry and Commerce (CAIC) Patterson Thompson have come out in support of calls for the insertion of a human rights mechanism in the near 13-year-old Caribbean Community (Caricom) treaty.

The two officials of Barbados-based organisations representing the region's church and business communities, commented separately on last week's disclosure by Barbados Prime Minister Bernard St John that his government would push ahead with initiatives for a treaty committing Caricom's 13 governments to upholding fundamental human rights.

The revival of interest in such a treaty -- originally raised at the fourth Caricom summit at Ocho Rios, Jamaica in 1982 -- follows mounting controversy over the conduct of Guyana's December 9 general elections. Opposition groups and major churches allege the poll was rigged. The government denies the charge.

Rev Kirton said that the CCC stood ready to give whatever support necessary to Barbados or any other Caricom government for the creation of a human rights treaty. We are interested in a treaty or protocol that has teeth, one strong enough to make it difficult, for instance, for any member government of Caricom to deny its people the fundamental right to freely chose their government. Kirton said the CCC itself was currently considering proposals to internationalise the struggle for human rights in Guyana.

We are more interested in Barbados call for a human rights treaty than current initiatives for the relocation of the (Guyana-based) Caricom secretariat. We appreciate the calls for the removal of the secretariat headquarters from Georgetown, but this will not guarantee free and fair elections in Guyana under the present government. A meaningful treaty can be effective in this regard...Kirton said.

CAIC's Thompson, a Guyanese, said that he was encouraged by Prime Minister St John's intention to press ahead with initiatives to write a human rights protocol into the 1973 treaty of Chaguaramas. I personally think this is most urgently needed to avoid the kind of abuses we are learning about in the case of Guyana.

Thompson feels that the treaty must be so formulated that it cannot easily be ignored by any of the member states of Caricom.

He recalled that at a recent conference in Barbados on private-public sector cooperation and democracy in the Caribbean, he had called for a group of institutions to enhance the democratic process in the Caribbean Community.

As he sees it, these should include a Caribbean court of appeal, a Caribbean human rights treaty that would include provisions to ensure free and fair elections, and a Caribbean parliament.

GRENADA

MORE ARRESTS MADE FOR ILLEGAL MILITARY TRAINING

FL062216 Bridgetown CANA in English 2101 GMT 6 Jan 86

[Text] St Georges, Grenada, Jan 6, CANA -- Grenada police said today they had arrested three more men for questioning in connection with the discovery of an unlawful military training programme. The arrests were made yesterday and no charges had yet been laid.

Six men were arrested and brought before a magistrate on December 24 charged with being engaged in military exercises and training in the rural parish of St Andrews. They are scheduled to return to court on January 9.

TRINIDAD AND TOBAGO

SUGAR WORKERS REFUSE TO WORK; DISPUTE RESOLVED

FL070040 Bridgetown CANA in English 2346 GMT 6 Jan 86

[Text] Port-of-Spain, Trinidad, Jan 6, CANA -- Trinidad and Tobago's sugar workers refused to work today -- first day of the harvest -- but later agreed to operate at the largest mill, Brechin Castle factory.

Officials of the All Trinidad Sugar and General Workers Trade Union (Atsgwtu) said 700 workers refused to work in protest over a new shift roster agreed on by their union and state-run Caroni Ltd, which refines virtually all the country's sugar.

Caroni Ltd has appealed a 25-per cent wage increase awarded by the industrial court January 25 last year.

A Caroni official said about 250 workers were protesting not being informed about the negotiations.

Officials of the company and union met two judges from the industrial court today on a wide range of matters relating to the industry, which employs 10,000 persons, and work was reported to have resumed.

Caroni sources said work had begun in all other sectors of the industry.

The company is aiming to produce 91,000 tonnes of sugar this year, mainly for the domestic market, after achieving its highest record in four years of 80,900 tonnes in 1985.

Meanwhile, Caroni Ltd is expected to publicly discuss a new restructuring plan which would include the 1986-1988 development programme next week.

ANDRE KOORNAAR APPOINTED LABOR MINISTER

FL062212 Bridgetown CANA in English 2048 GMT 6 Jan 86

[Text] Paramaribo, Jan 6, CANA -- Suriname's military leadership has appointed Andre Koornaar as labour minister to replace Edmund Dankerlui, who resigned last month after pulling a gun on workers who visited his office, officials said today. Koornaar, who is a leader of the Progressive Workers Organisation (WPO), the smallest of Suriname's three trade union movements, would be sworn in tomorrow, they added.

TRADE AGREEMENT SIGNED WITH CZECHOSLOVAKIA

FL062142 Bridgetown CANA in English 1931 GMT 5 Jan 86

[Text] Paramaribo, Jan 5, CANA -- Suriname and Czechoslovakia have signed a counter-trade agreement. Prime Minister Win Udenhout and Acting Energy and Natural Resources Minister Cyril Ramkisoor recently signed the pact for Suriname. The Czechoslovak representative at the signing ceremony was Dr Zdenek Cerny.

Under the terms of the agreement, Suriname will supply Czechoslovakia with a fixed amount of bauxite, alumina, and aluminium at world prices. Czechoslovakia will pay for 30 percent of these with Czech goods, while the remaining 70 percent will be repaid in the form of a letter of credit.

The agreement also provides for the sale by Suriname of bauxite and bauxite-related products to the European country. The two sides also signed a letter of intent attached to the agreement indicating the goods which Suriname will receive from Czechoslovakia.

The letter also expresses the readiness of the two countries to look into the possibilities for closer cooperation. These include areas such as the exploitation of bauxite, forestry, the setting up of a sugar factory and brewery, a tannery, and a shrimp farm as well as the processing of gold.

FIRST ORDER MADE AGAINST $10-MILLION TAIWAN LOAN

FL062126 Bridgetown CANA in English 1706 GMT 5 Jan 86

[Text] Paramaribo, Jan 5, CANA -- Suriname recently made its first order of goods under a 10 million U.S. dollar credit arrangement with Taiwan, according to Prime Minister Win Udenhout. He told reporters that 40 percent of the credit line offered by Taiwan will be used for the purchase of capital goods, with another 40 percent going towards purchase of raw materials for industries. Twenty percent of the credit will be used on consumer goods, Udenhout said. The credit line agreement was concluded last April.